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Paris visit

PRESIDENT Hosni Mubarak is expected in Paris on Monday to hold talks with French President Jacques Chirac on the faltering peace process in the Middle East and the role of the United Nations in the process. The talks will also deal with the results of the G15 meeting held in Cairo, specifically on the need for an effective dialogue between the North and South on an orderly, regulated international economic system.

During the state visit, President Mubarak will also meet with members of the National Council of Business Leaders, a group that includes the chairman of 150 leading French companies. More than 100 Egyptian businessmen will accompany President Mubarak.

Giving a hand

ON THE last day of the 50th Congress of the International Advertising Association (IAA), a campaign — "Give a kid a hand" — to help the children of the world was launched by Mrs Suzanne Mubarak along with Norman Vale, IAA director-general and Barry Day, the IAA's creative director, reports Rehab Saad.

Mrs Mubarak was chosen by the IAA to serve as the honorary chairperson of the World Advisory Body of the programme. "As you come to the close of the 50th IAA World Congress and on the occasion of your 50th anniversary, I am proud and honoured to accept the honorary chair of your worldwide campaign to help the children of the world and to work towards a better future for all," Mrs Mubarak told the gathering.

Marking '48

POLITICAL parties, syndicates, artists and writers will launch a series of public rallies and activities marking 50 years since the usurpation of Palestine in 1948 (known as Al-Nakba, or the catastrophe). The events will begin today, the anniversary of the establishment of Israel. A political rally will be held at the headquarters of the Tagammu Party at 6.30pm today. At 7.00pm, the National Theatre will open Palestine Solidarity Week, with a speech by actor Gamel Rateb and a song by actress and political activist Mervat Hammad.

On Friday, Egyptian political party leaders will place flowers at the monument of the unknown soldier. Then they will head to Al-Azhar Mosque for the Friday prayers, where they will hold a memorial service for Palestinian and Arab martyrs.

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KEYS TO THE PAST: Umm Saleh is in her late eighties. She hails from Jaffa, a town from which she was expelled in 1948, and now lives in a refugee camp in Gaza. And yet throughout the 50 years of her exile she has kept the key to her house in Jaffa in the vain hope of some day being allowed to return. In the four page supplement included in this issue Mohamed Hassamein Heikal, right, who covered the 1948 war from the battlefield, analyses, in an exclusive interview, the situation on the ground faced by the Arab forces as well as present prospects, and in words and pictures the consequences of half a century of dispossession and Israeli expansion and conquest are exposed.

Closing Southern ranks

The G-15 conveyed a clear message to the industrialised nations: developing countries must have a say in the world economic order, writes Nevine Khalil

Leaders of the world's 16 most promising developing economies concluded their eighth summit in Cairo yesterday after three days of deliberations over ways of promoting their economic interests in a global system which is inherently prejudiced in favour of industrialised nations.

Final resolutions dealt with the dimensions of the Asian financial crisis, intensifying inter-group trade and combating international terrorism as well as the social dimensions of economic reform. Participants aimed to send a clear message from their part of the world to the North, ahead of the World Trade Organisation's (WTO) ministerial meetings and G-7 summit scheduled for next week.

G-15 recommendations stated that one way to deal with the Asian financial meltdown is through maintaining "liberal and open world markets." While countries like Indonesia and Malaysia blame currency speculation from the West for the region's crisis, the statement said that the blame should be "appropriately and equitably shared between private lenders, borrowers and governments." G-15 members also called upon international financial institutions to "increase their role in providing specialised assistance and strengthening cooperation among their members with a view to promoting international financial stability."

According to the statement, the 16 developing countries called for more and better organised help from global financial institutions to avert financial crises because, in an increasingly global and interdependent financial market, no country is safe from sudden monetary fluctuations. The summit also accepted Sri Lanka's bid to join the group, bringing the number of members to 17.

G-15 plus 1 members include Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Nigeria, Malaysia, Mexico, Peru, Senegal, Venezuela, Zimbabwe and the newest member, Kenya. At its creation in 1989 as an offshoot of the Non-Aligned Movement and the G-77, the G-15 was intended to be a close-knit Third World economic cluster, to counterweight the G-7 of industrialised nations. G-15 members account for 30 per cent of the world's population and 39 per cent of the total gross domestic product of all developing countries.

The summit also scrutinised the Asian financial crisis and sought to give emerging economies a louder voice in world trade arrangements. Participants also deliberated ways of improving South-South and South-North dialogue, imperative if better terms for capitalising on economic cooperation are to be ensured. Group leaders believe that by coordinating their economic policies, they would make a formidable economic bloc.

The G-15 summit, held ahead of the G-7 plus 1 of industrialised nations and the WTO meeting, was a good opportunity to acquaint the world with the concerns of emerging economies. Before the Cairo summit began, President Hosni Mubarak spoke by telephone with British Prime Minister Tony Blair, whose country currently chairs the EU and G-7, to impress upon him the necessity for the North to "hear the voice" of the South at the G-7's upcoming meeting.

The grouping is plagued, however, by numerous global and domestic shortcomings, as member states struggle to keep afloat with international economic developments. Most developing countries believe their interests lie with industrialised nations, which continue to deal with them in an uneven-handed manner. Answering a question by Al-Ahram Weekly at yesterday's news conference, Mubarak said: "We have the experience of cooperating with both North and South, but we find it much more convenient to start with good South-South cooperation. At the same time, we have to continue the dialogue between North and South because we are all in one boat."

Malaysia's Prime Minister Mahatir Mohamad, responding to the same question, said: "We believe in continuing our interest and our relation with the North

because they have the market and the money and the technology. At the same time, we realise that the North has always been interested in investing and using the markets of the South. It follows, therefore, that the South too can make use of their own markets in order to develop their own economies, which is why the G-15 was formed."

Businessmen, meeting on the sidelines of the summit, announced the creation of a federation of chambers of commerce as a new G-15 body. Inter-group trade accounted for only nine per cent of its members' \$800 billion foreign trade in 1997. Currency collapses, bankruptcies and stock market crashes have swept across Southeast Asia since last year, often as a result of details on short-term debts. The worst affected countries are Malaysia and Indonesia. Malaysia's prime minister has said that his country will not seek help from the IMF to overcome the effects of economic turmoil because "conditions for such help are too onerous." Indonesia, on the other hand, said it is cooperating already with the IMF to reform its economy.

At the summit came to a close, Jamaica's Prime Minister P. Patterson was named chairman of the G-15, which will move its next summit in February 1999 to his capital, Kingston. (see p. 2&3)

'A wake-up call'

Madeleine Albright, defending Washington's Middle East policy, says there can be no lasting security in the region without hard choices

US Secretary of State Madeleine Albright, denying she will use pressure tactics but indicating impatience, was holding potentially fruitful talks yesterday with Israeli Prime Minister Benjamin Netanyahu on an American formula for a West Bank withdrawal.

The contentiousness of the US position, a pullback of Israeli troops from 13 per cent of West Bank territory, has already been rejected by Netanyahu as perilous to Israel's security. Albright hoped to turn Netanyahu around during yesterday's meeting by offering a plan that allays his concerns, possibly by delaying the transfer of some of the territory to the Palestinian Authority.

In a hastily-arranged speech, Albright tried to convey a sense of increasing urgency, labelling what she termed a "wake-up call" to Israeli and Palestinian leaders to make compromises before the peace process collapses altogether. Albright and her aides made clear that her remarks were aimed primarily at Israel, which has been arguing for months with the United States over the scale of the withdrawal. The Palestinians, who are being asked to crack down harder on Islamist militant groups, have accepted the US proposal. Speaking at Washington's National Press Club, Albright denied that the US was giving ultimatums or threatening any country's security.

"What we have especially been trying to do in recent weeks is to issue a wake-up call," she said. "Act before it is too late. Decide before the peace process collapses. And understand that in a neighbourhood as tough as the Middle East, there is no security from hard choices, and no lasting security without compromise."

Netanyahu had planned his trip to Washington to make Israel's case to members of Congress and to the American public. But Albright cancelled a trip to Germany with President Bill Clinton to try to overcome the prime

minister's objections. If she succeeds, a peace conference Clinton had hoped to launch in Washington last Monday would be rescheduled and Israel and the Palestinian Authority would turn to far more difficult issues in final status talks. These include Palestinian aspirations for a state, the future of Jerusalem, final borders and Palestinian refugees.

Declaring that she is an "eternal optimist," Albright said she hoped there is a way that we can get this process back on track and, in fact, re-issue the invitation for accelerated permanent status talks to be held under President Clinton's auspices in Washington very soon.

"We have gone the extra mile," Albright said with a tinge of exasperation. The Palestinians have made concerted effort to counter terrorism and "in the nature of partnership" Israel should be prepared to compromise, she said.

Albright said she was hopeful Netanyahu would reverse his position and accept the US package. "This is the only way to end a 15-month impasse and launch talks on a permanent settlement," she added. "In response primarily to Israeli requests, we allowed more time and then more time and then more time for our suggestions to be studied, considered and discussed," Albright said, signalling that US patience had run thin.

Much of Albright's speech aimed at rebutting the argument, advanced by Israel's supporters in the US, that by calling for a specific withdrawal Washington violated past pledges to let Israel decide its own security needs. "The size [of the withdrawal] is something that we are trying to determine according to what can be accepted by both sides," she said. State Department spokesman James Rubin said Albright's speech sought to show how far US ideas meet criteria laid down by Israel itself. They came

closer to Israel's offer of a nine per cent withdrawal than to Yasser Arafat's original demand of 30 per cent.

Both Albright and Rubin followed the long-standing US practice of refusing to give details of the US package.

Albright later held separate, closed briefings for members of the House and Senate, where Netanyahu enjoys considerable backing.

Republican Senator Arlen Specter said he had questioned "the competency of the Clinton administration and the competency of the secretary of state." He told reporters the administration's conditional invitation to peace talks amounted to an ultimatum. "An honest broker does not take an advance position," Specter said. Albright called the US proposals "suggestions," not ultimatums.

And she re-affirmed former Secretary of State Warren Christopher's assurance to Israel in 1997 that it has the right under agreements with the Palestinians to decide how much land to relinquish. As part of her public relations offensive, Albright also met with leaders of major American Jewish groups, who came away apparently reassured about US intentions.

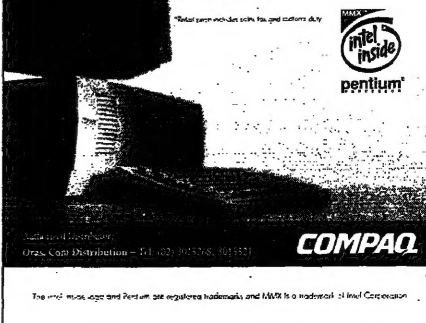
"She was very hopeful that the meeting [with Netanyahu] would be positive, and we came away feeling that the environment is a very healthy one," said Mel Sulem, chairman of the Conference of Presidents of Major American Jewish Organisations.

Republican lawmakers kept up their assault on Clinton's Middle East policy, demanding that the administration stop pressuring Israel. New York Senator Alfonzo D'Amato told a news conference the United States had lost its "moral authority as an honest broker of peace" with its demands. "It's absolutely wrong, it makes no sense. It threatens the security of Israel," he said. (see p.6)

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'Voice for the South'

Chairing this week's G-15 summit, Egypt attempted to steer developing nations towards solidarity in an age of globalisation. Nevine Khalil examines Cairo's goals

During the G-15 summit that opened on Monday in Cairo, Egypt acted to revive the group's role in order to give developing nations a louder voice on the international scene. Egypt stepped in at the last minute last year to offer a venue for the eighth G-15 summit after Jamaica said it could not host the gathering as scheduled.

Cairo believes that a united position of member states should be forged for a future North-South dialogue. President Hosni Mubarak had earlier consulted with British Prime Minister Tony Blair, whose country heads the European Union and G-7, so that industrialised nations may "hear our voice and heed the advice we bring from the South." A World Trade Organisation (WTO) ministerial meeting will take place in Geneva later this week, and a G-7 plus summit is also scheduled.

To close ranks among emerging economies, South-South dialogue and cooperation must also be consolidated. "We have established a voice for the South," Mubarak said at the opening of the G-15 summit. "This voice needs to be strong and must be heard." He added that the G-15 was the best forum for sending out signals from the emerging markets to the advanced economies.

Citing Egypt's experience of economic reform, the government believes the private sector in developing countries must be given the lead in promoting economic growth and achieving sustainable development. At the same time, however, Egypt asserts that attempts to liberalise undeveloped economies should not be at the expense of social development.

"The global economy is not for some to grow with and others to fall behind," Mubarak said in his opening speech. He added that the opportunity offered by the eighth G-15 summit must be "put to good use" in order to allow developing nations to carve a niche for themselves in the new economic order. "Emerging

economies must speak out, they must be heard," Mubarak said.

Mubarak underlined the importance of dialogue among nations. "A stranded dialogue between the South and leading industrial countries has become essential for the proper management of the world economy," he said. And "dialogue among nations in the South is no longer a luxury. It has become a must; an essential part of proper economic policy design."

The summit's agenda was topped by the Asian economic crisis, a phenomenon which Egypt wants to be carefully studied in order to avoid its recurrence.

Mubarak said the Asian financial crisis had underlined the deep interdependence of world economies. "Marginalisation is no longer an option," he said. "Not for the developed countries to impose and not for the Third World to suffer from."

Asia's financial meltdown was a centre piece for the summit, not only in terms of its possible domino effect on the emerging markets, but also as an unprecedented phenomenon which could turn out to be an inherent malaise of a new economic order.

Mubarak said that developing countries had better prepare themselves when dealing with novel economic globalisation factors. "Lessons learned" are that while dramatic improvements in global financial systems facilitate the flow of capital, they cause rapid transfer of problems across the world. The contagious effect of perceived fragility in a nation's economy causes investors to anticipate similar weaknesses in neighbouring economies and, in turn, pull out of markets throughout a region. Also, while the developing world should consider policies followed by industrial countries, it must also be aware of avoiding domestic or external imbalances in their economies. Advanced economies must avoid excessive and distorted fluctuations in capital and



President Hosni Mubarak presides over the opening session of the G-15 summit

trade flows.

Furthermore, Mubarak said, economic liberalisation must be gradual so that institutions concerned with protecting emerging financial systems are fully operational. Also, financial recovery and stabilisation programmes sponsored by the international community should take into account the immense social cost of the adjustments imposed on developing countries.

There is also a need for appropriate regulatory and supervisory standards, and active participation by developing countries in international economic institutions to achieve greater integration in global economy.

On a more optimistic note, Mubarak said that the Asian crisis "is but a passing phase in the impressive record of rapid growth of Asian economies." He added that eventually "stronger and more robust economies will emerge."

Mubarak's personal representative, Mounir Zahran, said that the negative social and economic repercussions caused by the Asian meltdown must be avoided in the future. "We need a formula that revivifies economic and political cooperation among our countries; that balances the interests of both developed and developing countries," he said.

Before the summit opened, Foreign Minister Amr Moussa was cautious, saying that the participants had not worked out a formula to ensure that the Asian crisis would not be repeated. "We

are not expecting any magic formulas at the end of the meetings," he said at a three-hour-long preparatory meeting on Saturday.

While Malaysia and Indonesia professedly blamed Western speculators for the crash, Egypt said that participants should focus on understanding developments in the world of finance, especially those which could affect emerging economies. "The purpose should not be to trade accusations or to enter into confrontations or to avoid taking responsibility," Moussa told his counterparts during Saturday's meeting.

Moussa said that the summit was taking place at a "sensitive" point in time in the process of forging global economic ties. "It is an important opportunity to explicate our positions," he said. "We have to deal with world (economic) blocs in a contemporary fashion."

Egypt also took the opportunity of the summit to focus on consolidating bilateral relations with G-15 states. Hours before the summit opened, Mubarak held separate talks with presidents Li Xiangze of Algeria, Suharto of Indonesia and Peru's Alberto Fujimori.

On the sidelines of the summit, Egypt and Malaysia signed a cooperation agreement in the field of religious affairs. The signing ceremony was witnessed by Prime Minister Kamal El Gansawi and his Malaysian counterpart Mahatir Mohamad, who had earlier received an honorary doctorate from Al-Azhar University for his writ-

ings on religion. The foreign ministers of both countries also signed an agreement on scientific and technological cooperation.

The two prime ministers discussed bilateral relations, especially joint projects which were initiated during last year's G-15 summit in Kuala Lumpur. They include an Alexandria shipyard, East Omdurman power station, auto bodies and furniture manufacture, and cooperation in advanced technology.

Malaysia is one of Egypt's strongest economic partners in the group, a relationship Egypt is trying to forge with other G-15 members like those in Latin America.

On Monday, Mubarak briefly outlined to his guests Egypt's economic reform measures, which are "cautiously and gradually" establishing the parameters of its integration in the global economy. "Today, Egypt stands among the countries that prove that the South can prosper," he said. "Egypt has started its journey to prosperity."

Mubarak expressed confidence that Egyptian institutions can withstand the "uncertainties" of the world economy.

He called on the private sectors of all member states to play a role in carrying out economic policies and reforms to achieve sustainable economic growth and prosperity. "Through dialogue, their joint ventures are our strength," he said. "They will usher in the age of technology into our countries."

Northern barriers, southern business

Convening ahead of next week's WTO meeting in Geneva, G-15 businessmen and officials in Cairo focused on how they could play a more interactive role on the international trade scene. Niveen Wahish reports

Trade ministers and private entrepreneurs from the Group of 15 strongly criticised the economic policies of industrialised nations, complaining that they have a negative impact on the interests of developing nations. Malaysian Prime Minister Mahatir Mohamad described as "immoral" the market practices of the North.

Mahatir, addressing the G-15 Business Workshop organised by the Egyptian Federation of Industries and the Egyptian Ministry of Trade on the fringe of the summit, said that free-trade policies and economic liberalisation should benefit all parties. However, he added that economic freedom has been misused.

Alluding to the severe crisis that has hit financial markets in Southeast Asia, Mahatir said that in the search for maximum profit, the powerful are ready to make the poor even poorer and stressed that the "free market must be regulated and everyone must benefit."

To this end, the group's trade ministers affirmed that during the upcoming World Trade Organisation

(WTO) meeting, they will lobby for the effective application of Uruguay round agreements, giving special attention to the implementation of articles which grant preferential treatment to developing countries.

Egyptian Trade Minister Ahmed El-Gewili announced that G-15 members had gathered not only to coordinate positions and determine their common interests and different, but also to demand improved access to international markets for the products of developing countries. "We have to protect our interests and find solutions to trade barriers," El-Gewili said, referring to restrictive procedures introduced by some countries for protectionist purposes, such as anti-dumping procedures, high customs tariffs and sanitary specifications. "We want to make sure that the interests of developing countries are fully taken into account in WTO negotiations and ensure that developing countries play a leading role in drafting international economic agreements," said El-Gewili.

El-Gewili said that the Federation of Egyptian Industries, said that re-

strictive procedures make it difficult for developing nations to benefit from bilateral and multilateral agreements signed with the North. "There is an imbalance in the responsibilities and obligations of both parties," El-Gewili said. "The rules of origin as an example, he said they are complex and biased in favour of developed countries. "It is very difficult for developing countries to make full use of multilateral trade agreements with these very restrictive rules on origin," he said.

El-Gewili added that other issues that should be brought up for discussion with industrialised nations include anti-dumping measures and specifications, which, he said, are used as restrictive protectionist tools, making it very difficult for developing countries to penetrate the markets of the North.

Sharing the same view, Rub Ricupero, secretary-general of the United Nations Commission on Trade and Development (UNCTAD), told the workshop that "anti-dumping is being used to a great extent to protect the interests of rich countries." He pointed out that most developing countries lack the

financial resources and expertise to deal with dumping cases and warned that anti-dumping should be closely examined in future negotiations, in view of its serious consequences. "Anti-dumping investigations have an effect on the rules of origin as an example, he said they are complex and biased in favour of developed countries. "It is very difficult for developing countries to make full use of multilateral trade agreements with these very restrictive rules on origin," he said.

Ricupero suggested that in order to avoid fallout in multilateral and bilateral agreements, the G-15, as a group of developing countries, should know what it wants. He warned that the conflict of interests among G-15 members was preventing a unified position from being achieved. He recommended that coalitions should be formed within the group to lobby for a specific, concrete objective. "With a concrete interest and a just cause, you can make a difference," he said.

Another key factor which Ricupero viewed as essential for avoiding imbalances in future multilateral agreements is the inclusion of the private sector. "There should be close association between the private sector and government," he said. "This is the basis for a more balanced negotiation in the future," Ricupero

said. "By better integrating the private sector in developing countries, we can make sure that imbalances in negotiations will not happen."

Ricupero said UNCTAD was ready to train the private sector in developing countries in the art of negotiations to prepare it to play what he described as a vital role in WTO negotiations in the year 2000.

The offer was seized upon by attending businessmen who requested Ricupero to prepare the training groundwork by the time the G-15 meets again.

While the private sector in developing countries was considered an essential component of international trade negotiations, it was also cited as the pillar for greater trade and investments between the group's members.

According to El-Gewili, the basic role of governments is to sponsor the development of the private sector and to facilitate its role in the development process. The role of governments, he added, is to map out the framework within which the private sectors of the group can interact. El-Gewili said that hope is

planned on the private sector to raise the trade volume between group members above the current rate of nine per cent.

But it is not only trade that needs to be promoted. Figures reveal that G-15 members are recipients of limited foreign investment. Foreign direct investment (FDI) flowing into G-15 countries reached \$48 billion in 1996 — only 13.3 per cent of total FDI money during that year.

To deal with this problem, delegates stressed that their governments have to make greater efforts to revitalize investments between group members, especially in light of the available opportunities and incentives granted to investors.

With the same goal in mind, a pioneer agreement was signed by representatives of the Chambers of Commerce and Industry of each group member, allowing for the creation of a single G-15 chamber to be based in Cairo. The new chamber aims at establishing stronger ties between the other chambers and boosting efforts to increase the group's trade, investment and economic development.

Critical lessons

Despite the Asian economic crisis, G-15 leaders repledged adherence to the principles of a free market economy and structural adjustment programmes. Fatemah Farag reports on the views expressed by participants on Asia's problems

As might have been expected, the Southeast Asian crisis, especially lessons to be learnt from it, dominated the G-15 summit that opened in Cairo on Monday.

Between 1990-1995, these economies were catapulted into world status, setting a standard that other South countries aspired to. However, the dream was brutally shattered when severe

financial and monetary crises swept across Southeast Asia.

The picture painted during the various sessions of the summit was that of devastation. Indonesian President Suharto pointed out candidly in his statement that "the crisis has wiped out a large part of the gains of three decades of painstaking pursuit of national development."

Malaysian Prime Minister Mahatir Mohamad drew a vivid picture of the waste. "Over one trillion dollars of purchasing power has been lost, banks and businesses of all kinds have been bankrupted, more than 30 million workers have been made unemployed, food and medicine are less available and growth has either been reversed or stalled," he said. "The Malaysian currency has been devalued by 50 per cent and stock market capitalisation has lost more than \$200 billion dollars."

This comes after an impressive growth rate of eight per cent annually for almost a decade in Malaysia, and equally impressive growth rates in Indonesia for two decades.

Suharto painted a stark picture. He told the G-15 members that the financial crisis has "opened with no indication that it would soon abate."

Concerns over the crash in Southeast Asia go beyond the G-15 borders. There are fears that the crisis could extend to Japan and China. The economies of the two countries are weighed down in debt and an economic crisis would automatically send a shock-wave through the whole international system. Even "stable" economies such as that of the United States could suffer.

Although President Hosni Mubarak expressed optimism that African economies that have undergone stabilisation programmes will respond, he was careful to address in detail the important lessons to be learned from the Asian "passing phase." These included better communication on both the South-South and North-South planes, gradual liberalisation of markets, with an emphasis on the development of national institutions, as well as the need for appropriate regulatory and supervisory standards.

In a special document on the crisis presented to the leaders of the conference, the African Union delegation called for "a comprehensive review of the present architecture of the international monetary system."

The document listed speculative currency

devalued, vulnerable economies, loss of investor confidence, serious flaws in market mechanisms and inadequate risk assessment by international lenders, as reasons for the Asian crisis.

Special emphasis was also given to the role played by the IMF, calling on the international institution to change its terms and conditions for financial support. This would entail the US providing more funds, a move opposed by Congress.

To-date, the IMF has given a total of \$118 billion to Indonesia, South Korea and Thailand. Malaysia refused assistance, saying the conditions were too harsh — a message that Suharto sought to drive home in his official statement. "We must make painful sacrifices and summon our reserves of endurance and social discipline" to overcome the crisis, he said.

In general, G-15 leaders seemed to agree on the necessity that all international forums work towards the alleviation of the adverse consequences of the crisis as well as ensure that the benefits of development are shared in a balanced and equitable manner by all countries. Within this framework, increased South-South trade relations were encouraged by all.

Businessmen included in the delegations seem to be on the same line. They pointed to difficulties or, at best, the need for innovation in dealing with the present situation.

Said Usha Saha, vice chairman of India's Modico telecommunications company, "I think they realised the limits beyond which they could not go and they did not out-borrow themselves."

However, Indian business still suffered. "We

were especially affected by the fact that goods became much cheaper in these countries and we were forced to compete with their very low prices," Saha said. He added that "the kind of globalisation we are heading for means we can never really avert what happens in other countries and we are business as usual."

Saha said that not only had the prices of consumer products dropped but also the prices of raw materials, raising the possibility of relocating certain industries to take advantage of cheaper labour and materials.

Some exporters were forced to search for other markets. "We were all hit quite hard. Even the man in an Egyptian village could feel the effect," said one exporter at the fair who has worked extensively in the Malaysian market. "Today I am searching for options in Europe," he added.

Others have found roundabout ways to deal with the problem. "We use the barter system with countries like Malaysia which are crucial to our exports," said Mohamed Afifi of the National Organisation for Military Industries. "This allows us to get around some of the problems which these countries are facing without jeopardising our interests."

Husni Hagin, commercial attaché at the Indonesian Embassy, said that exports soared by 10 per cent in the past year. Is that a good thing? According to Hagin, the volume of sales has outweighed the negative effects of low prices.



Mrs Suzanne Mubarak (centre) sits among wives of chief delegates to the G-15

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Gamal Essam El-Din reports on a week in parliament, in which debate crossed party lines and NDP members exchanged pot shots



Kamal El-Shazli (L) and Fathi Sorour lock horns on parliament's floor



NDP leaders clash over youth

Parliament Speaker Fathi Sorour was involved in an unusual verbal clash with the minister of state for parliamentary affairs

Members of parliament, as well as observers, were taken by surprise last Sunday when a heated exchange broke out between Speaker Fathi Sorour and Kamal El-Shazli, minister of state for parliamentary affairs. This unusual argument between a cabinet minister and the pro-government speaker erupted in the course of a debate on a 41-page parliamentary report dealing with a variety of youth issues. These include participation of young people in political life, the spread of extremist and militia ideologies in youth circles, unemployment and the political education of young people.

Sorour, moving from the podium to address the Assembly from the floor as an MP, said that in forging a national strategy on youth problems, a number of factors should be taken into consideration. These include sustainable development, which addresses the local environment and the conditions of technological progress, and the trend toward globalisation which could negatively affect young people.

Sorour then spoke about the role of political parties in dealing with youth issues. He said that parties are responsible for the political education of the young. "Parties are the factories of politics, and we do not want them merely to appoint cadres from

their ranks to espouse their principles," Sorour said. Then came the surprise. For Sorour, all political parties have failed in the confrontation with terrorism and extremism. "Had they played their role, we would have overcome this phenomenon," he said.

Then came a second surprise. Kamal El-Shazli, parliamentary whip of the ruling National Democratic Party (NDP), asked Amal Osman, first deputy speaker, who was presiding over the session, to give him the floor to respond to Sorour. "Sorour has spoken about a number of issues and I agree with him on most of them," said El-Shazli. "However, I disagree with what he has said about the failure of political parties to combat terrorism. I'm here to emphasise that all the parties, be they in the majority or opposition, have played their roles, each according to its capability. I would remind you, for example, that the parties have held seminars and meetings in all the governorates as part of their efforts to combat terrorism."

Sorour then insisted on taking the floor again to respond to El-Shazli. "It seems that Kamal El-Shazli did not fully understand what I wanted to say," said Sorour. "I wanted to say that parties, the National Democratic Party more than any other, have made great efforts. Our ambitions and expectations, however, are greater still, and

the fact remains that none of the parties have lived up to these expectations. This is their failure."

El-Shazli took the floor again, objecting to the session's minutes. "El-Shazli said, 'I cannot accept that such words be uttered about me and I request that they be deleted from the session's minutes,'" El-Shazli said.

Nor was this the only occasion on which the debate between deputies and government officials threatened to get out of hand. Ragab Helal Hemida, the sole representative of the Liberal Party, said the government had banned political parties from disseminating their platforms among young people on university campuses. He also said that Egyptians have lost confidence in government officials and now strongly believe that the rule of law has completely collapsed. "As for extremist thinking, the media that provides young people with the material that makes them turn to extremist ideologies," he said.

In response, El-Shazli accused Hemida of being pessimistic. It is true, he said, that political parties are banned by law from disseminating their platforms on university campuses, "but young people have the right to join any political party they wish." El-Shazli also insisted that the law has retained all its authority throughout the country.

Sameh Ashour, the sole representative of the Nasserist Party, said young people were reluctant to become involved in politics for a number of reasons. These include the rigging of elections, the hegemony which aging officials have over the nation's top positions and the control of the information media by the ruling party. He explained, "All these factors have led young people to the firm belief that they are not partners in decision-making and that what is said about Egypt being an oasis of democracy and freedom is not true," Ashour added.

El-Shazli responded that the problems of young people are not the responsibility of one party, "but of society as a whole."

All Fathi El-Bab, the sole representative of the Islamist-oriented Labour Party, accused the NDP of using a youth association to spread extremist ideology on university campuses. Strongly rejecting the charge, Abdel-Moneim Emara, chairman of the executive council for youth and sports, said NDP has no control over Horus. "I don't understand why some people are prejudiced against Horus, although this association has played a big role in disseminating moderate thinking and combating extremist ideology on university campuses," Emara said.

Parliament's National Security and Defence Committee was the scene of a hot debate on alleged Israeli attempts to interfere with Nile water resources



Abul-Enein Farghali

MPs warn against water wars

The growing scarcity of water resources due to rapid population growth, vast land reclamation projects, high evaporation rates and low rainfall could be a major flashpoint for conflict between the Nile Basin (NBS) countries, with Israel at the heart of any military confrontation. This gloomy scenario was predicted by MP Mohamed Abul-Enein, who is also a top entrepreneur, in a meeting on water resources held Sunday night by the People's Assembly's National Security and Defence Committee.

Abul-Enein claimed that Uganda was the scene of a dangerous "conspiracy" carried out by "some countries, which he did not name, to limit the flow of Nile water to Egypt. Although Abul-Enein declined to specify the parties involved in the alleged conspiracy, he said that recent reports suggest that Israel was implementing water projects in some RNB countries, primarily Ethiopia and Uganda, which could be at Egypt's expense. For this reason, Abul-Enein emphasised that Egypt has to develop a new strategy for negotiating bilateral relations with RNB countries to foil any attempt at "stealing" Nile water.

According to Abul-Enein, the RNB countries are facing runaway population growth. "The RNB population stands now at 250 million and is expected to grow to 450 million or even, in a gloomier scenario, to 800 million in the next 20 years," he said. "This is not the only challenge to Egypt. Some of these RNB countries have begun to adopt far-sighted development strategies, with the help of some international development agencies such as the World Bank, and are intent on carrying out a number of water

projects as part of these strategies. Not to mention that Sudan is about to be partitioned into two entities, with Muslims in the North and Christians in the South. And what about dam projects being built on the Nile in Ethiopia and Sudan and our water agreements with these countries? All of these challenges require decision-makers in Egypt to adopt a new strategy for dealing with RNB countries," Abul-Enein said.

Agreeing with Abul-Enein, Ahmad Galal Ezzeddin, an appointed MP, pointed an accusing finger at Israel, charging that it had made repeated attempts to tamper with the flow of Nile water into RNB countries. "By doing this, Israel has a prime objective. It is to put pressure on Egypt to force it to provide Israel with Nile water from the El-Salam canal in the Sinai to cultivate the Negev desert," Ezzeddin said. "As you all know, there is a national consensus for refusing to provide Israel with a single drop of water. I do not want to be completely pessimistic, but I hope the Irrigation Ministry has a counter-strategy for these water resources."

Mohamed Nassef Ezzat, a consultant to the irrigation minister, responded by conceding that Egypt is "targeted" by some foreign powers but insisting that water projects in Ethiopia and Uganda are by no means aimed at harming Egypt. "Some of these projects have even proved to be useless such as the Fincha Dam which was built in Ethiopia with American assistance in 1964 on the Blue Nile, which supplies the main Nile with 75 per cent of its water," Ezzat said.

He also said that Egypt, Uganda and Ethiopia are bound

together by agreements signed in 1991 and 1993 on regulating the flow of Nile water. Ezzat asserted that Egypt is providing the RNB countries with all possible assistance in their development plans. "Egypt is currently helping Uganda to establish an electric power station on Lake Victoria. An Egyptian businessman, by the name of Mohamed Metwally, will build this station," he said. "As for the Sudanese, I think that we both are in one boat and they, therefore, are keen to coordinate with us on all Nile water projects."

Ahmed Fahmy, chairman of the Nile River sector at the Irrigation Ministry, said that joint water projects with RNB countries are a top priority on the ministry's agenda. The civil war in Sudan, Fahmy said, has denied Egypt an extra 1.5 billion cubic meters per year. He explained that the suspension of work on the Jonglei Canal in southern Sudan deprived Egypt of two billion cubic meters annually and other planned projects were intended to provide Egypt with a billion cubic meters per year.

Some MPs, angered by the rosy picture painted by the irrigation experts, argued that they are simply technocrats who do not have a clear understanding of politics. El-Badi Farghali, a leftist MP, said that Israel has provided irrigation and agricultural assistance to RNB countries. "I hope that our irrigation experts have a greater understanding of politics because water now is politics. They have to coordinate with the Foreign Ministry to recognise that Egypt's national security should not only be viewed in military terms, but also in terms of wars over water," Farghali said.

Obituary

A star of the '60s falls

Another prominent figure in a generation of intellectuals identified with the 1960s has passed away. Ghali Shoukri, a leading literary critic and political writer, died on Saturday at the age of 63 after a three-year illness. Khaled Dawoud reviews Shoukri's rich and controversial life



Born at the town of Menoufi, in the Nile Delta governorate of Menoufiya, on 12 March 1935, Ghali Shoukri considered himself one of millions of Egyptians who benefited from the 1952 anti-monarchy revolution led by the late President Gamal Abdel-Nasser. Although he was among the hundreds of leftist intellectuals who were sent to prison by Nasser in the late 1950s and early 60s, Shoukri repeatedly asserted his love for Abdel-Nasser and Nasserism. "It created hope and dynamism in our lives. Nasser supported social justice and the poor."

After his graduation from the Faculty of Arts, Cairo University, in 1956, he worked as a teacher. At the same time, he began his career as a literary critic. His first work, a study of the Naguib Mahfouz novel *Zawag Al-Midaq* (Midaq Alley), came out in 1956. In the four decades of work that followed, he wrote hundreds of magazine and newspaper articles on Arabic literature.

Like many of his generation who were raised on revolutionary slogans of social justice, Arab unity and confrontation against imperialism, Shoukri's dreams and hopes collapsed with the defeat of Arab armies in the 1967 War against Israel. Nasser's death in 1970 came as another blow. "This feeling [of defeat and frustration] was not a general one, but it was a personal matter for each individual who belonged to that generation," Shoukri said in a recent interview. "The regime that followed failed to re-kindle hope in our hearts."

Shoukri once described his generation as "the happiest and the most miserable. We witnessed many changes over a very short period of time: the 1952 Revolution, the nationalisation of the Suez Canal, unity with Syria, the arrest of communists and Muslim Brotherhood members, the 1967 defeat, the War of Attrition, the October 1973 War and then the [economic] open-door policy and shifting from one extreme to the other."

Like many leftist intellectuals, Shoukri fell out with the late President Anwar El-Sadat shortly after he came to power. In 1973, Sadat decided to lay off or reassign to other posts nearly 120 of the nation's most prominent writers and intellectuals. They included Ahmad Badawi, Louis Awad, Hussein Abdel-Razek, Ahmed Abdel-Mostaf Hegazy, Nabil Zaki and Shoukri. Many of these intellectuals, including Shoukri, felt they had no choice but to leave Egypt.

Shoukri chose to go to Beirut, known at the time as the "Paris of the Arab world," for the margin of freedom it enjoyed then. Originally, he planned to stay there for two or three weeks to look after two of his books which were being published in Beirut, but ended up staying for more than three years. During that period, he published articles in many of Lebanon's newspapers and was taught in lectures in its universities on literary criticism. When the civil war broke out in 1976, he left for Paris where he finished a PhD dissertation in sociology under the supervision of prominent French orientalist Jacques Berque.

Shoukri used to refer with passion to the young people who speak in Beirut, saying they were the best years of his life. During that period, he published articles in many of Lebanon's newspapers and was taught in lectures in its universities on literary criticism. When the civil war broke out in 1976, he left for Paris where he finished a PhD dissertation in sociology under the supervision of prominent French orientalist Jacques Berque.

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'Wassat' by any other name...

There was quite a crowd at the State Council's (Giza headquarters last Saturday. Dozens of reporters and a camera crew waited patiently for two hours to hear the decision of the Political Parties Tribunal on an appeal filed by the Wassat (Centre) Party after its original application for a licence was turned down a year ago by the Political Parties Committee. As expected, the appeal was thrown out by the 14-member court.

The would-be founders were clearly disappointed. "We will continue along our path and will continue to seek other legal channels," a grim-faced Abdul-El-Madi, the leading would-be founder, told reporters. Essam Sultan, another potential Wassat loyalist, said the court made a mistake in turning down the appeal.

Forty-eight hours later, Madi went to the Shura Council and applied for a licence for a new platform and many new members. "We acted swiftly and did not sleep for many days in order to present our new platform," Madi told *Al-Ahram Weekly*. "We did this two days after our appeal was rejected because we wanted to put an end to

the speculations that are going around. We wanted to present everyone with a practical answer."

Madi, a former member of the outlawed Muslim Brotherhood, said that had the tribunal accepted his appeal, "we would have been more or less confused and bewildered. Our original list of founders mainly included people who were originally Brotherhood members. Had the party been granted a licence, we would have been faced with people who think that this is a Brotherhood party, although it is not," he said.

Madi admits that what he calls of the "Wassat" trend only became crystallised when the Brotherhood's old guard put pressure on many members, forcing them to withdraw from the party. With the exodus of Brotherhood members two years ago, Madi was left with less than 50 Wassat loyalists — the minimum number of members required by law for party formation.

The alternative was to recruit new members to meet this legal requirement. "Thankfully, the Brotherhood leaders, we adopted a new platform and won new members who believe in our ideas," Madi said.

Asked about these ideas and how different they are from the old platform, Madi said the Wassat "trend" is based on Arab-Islamic culture. "We did not put all our ideas in the old platform, and the new one is a development of ideas that we deem important," he added.

The old Wassat included only 50 members, but the new Egyptian Wassat boasts as many as 93. They include 39 workers and 54 professionals, of whom 19 are women, 20 are Christian and 10 are university students. There are also some public figures, such as Mohamed Kassef El-Eryan, under-secretary at the Ministry of Housing, Salah Ezz, a Cairo University professor, Salah Abdel-Kerim, former deputy chairman of the Engineers Syndicate, and Mohamed Abdel-Latif, a board member of the Arab Publishers Union.

The platform devotes an entire chapter to explaining the party's "terms of reference" and another to Islamic *Shari'a*. Other chapters cover under titles such as "the main principles of the political system," "non-governmental activities," "the independence of religious institutions," "the problem of

The would-be founders of the Wassat Party, after failing to gain legality, have bounced back with a new application for a party with a slightly different name. Amira Howeiely plays the name game

corruption," and "the collapse of the pillars of social justice." Further chapters deal with education, the environment, technological development and tourism.

Although the platform of the old Wassat received great attention from observers and the press, the Political Parties Tribunal and its predecessor, the Political Parties Committee, found it no different from the platforms of already-existing parties. That was the stated reason why the party's application for a licence was rejected.

The question is: why go through another legal battle, if the chances of winning are slim? During the past 20 years, the Political Parties Committee has rejected applications for the establishment of more than 35 political parties.

But Madi is undeterred. "We believe that our position has improved and that we are viewed differently as we become more mature in our thinking and in the expression of this thinking," he said. "All this makes us feel much more optimistic."

Edited by Wadie Kirolos

What price health?

"We should prepare ourselves for the year 2005 when the TRIPS Agreement [trade related intellectual property rights] becomes effective in Egypt," commented one participant at a recent trade committee meeting. "By that time, all 60 million of us better be in perfect physical and mental shape because it sure looks like most of us won't be able to afford buying any medication after TRIPS hits us." The meeting, sponsored by the German-Arab Chamber of Commerce, included a number of Egyptian business people and academics who discussed the TRIPS agreement and its potential impact on the local manufacturing industry.

An essential pillar of the General Agreement on Tariffs and Trade (GATT), which Egypt signed in 1995, TRIPS requires all member countries to pay royalties for manufacturing and using the process and production technology of any patented item — or else face the threat of crippling trade sanctions as spelled out by the World Trade Organization's (WTO) dispute settlement mechanism. In an effort to facilitate the transition to projected increases in production costs for developing countries, GATT allowed them a 10-year grace period before implementing TRIPS and adjusted relevant industrial legislation according to its provisions.

Despite the grace period, US multinationals have been pushing Egypt and other developing countries to pass patent legislation sooner — sometimes living with such legislative pressure of investing in much-needed local research and development (R&D) projects — to help Egypt

secure its own patent pool. But more often they have brandished the stick of potential trade sanctions. "Meetings between Egyptian and American drug executives have turned into shouting matches, with the Egyptians warning the foreigners of renegeing on promises to invest in Egypt and the foreigners accusing the Egyptians of 'stealing' formulas of drugs that typically cost \$500 million apiece to invent," reported *The Wall Street Journal*.

Since Egypt has so far resisted the pressure to change its legislation prior to the 2005 GATT deadline, US multinationals successfully lobbied to put the country on the American government's "entity watch list" implying the threat of trade sanctions. Yet, there is no guarantee that the much-touted patent legislation will in fact attract foreign investment in local R&D infrastructure. A case in point is Brazil, a country which faithfully complied with multinational demands and passed stringent patent legislation in 1995 after the companies pledged to invest \$1.2 billion in the pharmaceutical industry — a pledge that has not materialized to this day.

Although the North, spearheaded by the US, now aggressively denounces the unlicensed use of technology as industrial theft of intellectual property, both the US and Japan, in effect, developed their industrial base by freely pirating available technology. "The Americans were the pirates of the 19th and early 20th centuries. They refused to give copyright to foreigners," Charles Dickens, for example, was always angry because he never received any royalties for the copies of

his books printed in America. All this seems forgotten today," Dr. Magda Shalhin, trade specialist and WTO negotiator at the Egyptian Ministry of Foreign Affairs, told *Al-Ahram Weekly*.

Despite the North's frantic drive to liberalise economies of the South and deregulate regardless of social costs, many analysts believe that countries of the North actually conceived TRIPS as a protectionist measure to limit the competitive edge gained by some developing countries through the transfer and adaptation of existing technology. "The North's move to introducing TRIPS in GATT was to enable its firms to capture more profits through monopolistic higher prices, royalties and the sale of technology products and to place tariff barriers preventing the technological development of potential new rivals from the South," economist Martin Khor, the director of Third World Network, a Malaysian-based NGO, told *The Weekly*.

Shalhin agrees that TRIPS is heavily tilted in favour of northern multinationals which own most of the world's patents. "Developing countries, including Egypt, Brazil, India, Nigeria and Peru, opposed the inclusion of intellectual property rights under GATT until the 11th hour because they would be required to change their policies of adapting intellectual property rights to their needs. These policies excluded certain products from patentability or provided shorter protection periods than the 20 years for which patent protection was generally granted by developed countries for inventions relating to products such as pharmaceuticals, chemicals, fertil-

isers, insecticides and pesticides," explained Shalhin.

Although trade in intellectual property is far-reaching and encompasses virtually every area of production, in Egypt — as in many other countries of the South — the pharmaceutical industry is especially vulnerable to the implementation of TRIPS. A thriving business, 30 Egyptian-based companies export pharmaceuticals to 51 countries. The industry also supplies two-thirds of Egypt's medicines that are available at an estimated one-fifth the cost of imports and retail according to government-controlled price ceilings.

Central to the raging debate about TRIPS and pitting local manufacturers against foreign multinationals, is the question of increased production costs and the inevitability of having to import high-priced patented drugs that will no longer be locally replicated about 2005. Opinions, however, widely differ about the extent of potential damage to the industry and the Egyptian consumer.

Dismissing the fear of skyrocketing prices, Shalhin maintains that "in virtually all disease categories there is considerable competition and an array of therapeutic options for the physician and the patient that keeps prices down." She stressed that the Egyptian government is committed to maintaining price controls on the sale of essential drugs. Consequently "intellectual property protection would only marginally affect Egypt's tariffication regulation and policies," Shalhin added.

Dr. Sarwat Bassily, owner of Amoun Phar-

maceutical Industries and chairman of the Egyptian Association of Drug Manufacturers, agrees that the government has a central role in imposing compulsory licensing to keep a balance between drug prices and the people's average income. Currently, life-saving imported drugs are already too costly for the majority of Egyptians. According to a 1996 price list of imported pharmaceuticals, 30mg of Taxol — a medication used for cancer therapy — sells for LE570 per 5ml vial. A three-week treatment of 10 vials would cost a patient LE5,700. Taxol's patent holder, Bristol-Myers Squibb, retails one mg of the drug in Egypt at 25 times its production cost — without having invested in its development, which was subsidised by the US government.

"Our business as an industry is to provide affordable medicine to the Egyptian people," asserted Bassily. "If we don't do that, we will become irrelevant. TRIPS is an agreement solely and exclusively intended to increase multinational profits. We don't object to profits, but what about profit ceilings?"

Bassily pointed to Viagra, the male potency drug that just hit the market. "Within one week, sales recouped Viagra's total production cost. But its patentholder, Pfizer Incorporated, will continue to pocket royalties for the next 20 years and keep other potential manufacturers out of the market. This is what TRIPS is all about: creating market monopolies. And this is what we have to struggle against and renegotiate in the name of 80 per cent of the world's people — too destitute to pay for health care."

Heat wave pushes crop prices higher

Abnormal temperatures, unpredictable storms — the full arsenal of El Niño's freak weather is set to hit Egypt through the current growing season. Reem Leila looks at the precautions being taken to limit the adverse impact on agricultural markets

Egypt has been suffering a heat wave that has seriously affected many crops. So far this year, harvests of green vegetables, onions, wheat and even flowers have produced much less than expected. Farmers say that the heat wave has already caused them huge losses.

Government officials are not optimistic. They are hoping that current extreme temperatures may be soot, but suspect that they could well continue on into the summer without interruption.

According to Ali Sa'ad, first deputy minister of agriculture, it was possible to see the heat wave coming. "The ministry tried to take precautions, but it was difficult," he said. "We're still hoping that it won't last too long."

Part of a larger phenomenon known as El Niño, this heat wave recurs periodically, says Sa'ad. Since early November 1997 significant warming of sea-surface temperatures in the Pacific Ocean has been observed. This is generally recognised as the spark point for a new El Niño event. Such events occur every two to seven years, with varying degrees of intensity and duration. They usually last for several months, peaking around late December.

El Niño is often associated with important changes in temperature and precipitation in several parts of the world, which can have major negative impacts on agriculture and water resources, as well as causing coastal erosion. The change in sea surface temperatures also affects the prevailing conditions of marine ecosystems.

The last two El Niños occurred in 1982/83 and 1991/92. The 1982/83 event caused severe flooding and extensive weather-related damage in Latin America and drought in parts of Asia. In 1991/92, there was a severe drought in Africa. This year's El Niño is regarded by various experts as one of the most severe this century. Floods and droughts are expected in 29 countries worldwide, mostly in Africa — among them, Somalia, Sudan, Egypt and Uganda.

There is serious concern in Egypt concerning the threat that El Niño may pose to the crops to be planted in the coming months for harvest in early 1999. Egypt's cereal harvest is expected to be well below last year's. Due to the high temperatures, the water level of the River Nile is set to fall in Uganda. "This might affect the water level



A HEAT DOZE: El Niño has behind the heat wave of the past couple of weeks. More than drowsiness is its store

in Egypt," says Ayman Abu Hadid, director of the Central Laboratory for Agricultural Climate (CLAC), of the Ministry of Agriculture and Land Reclamation. "If it did, water wells alone would solve the country's problem."

The increase in temperature affects the timing of crop planting and can lead to premature ripening of both seeds and fruits which thereby rot. Wheat, barley, rice, tomato and green vegetables have already been seriously affected. Moreover, the effects of this phenomenon may well last for two seasons in some countries, though in Egypt they are likely to be limited to one. As a result, prices of all Egyptian cereals are expected to rise by no more than 25 per cent.

According to Abu Hadid, "This figure is relatively low, and will decrease further by next season, so there is no need to worry." In Abu

Hadid's opinion, there is nothing that could have been done at the national level to prevent the damage being done by El Niño, since the underlying changes in the earth's atmosphere are global. There is no way a single country can seek to limit a rise in regional or global temperature.

"Various precautions are already being taken to limit the impact of the phenomenon on agriculture. These include regulating the use of water for irrigation, as well as increasing the supply of water. The new Toshika Canal is practical proof of the efforts being made by the government to avoid the damage El Niño can inflict," says Abu Hadid.

But El Niño has not limited its intervention in Egypt to agriculture. It is also causing severe erosion of the northern sea shore. According to Abu Hadid, this could eventually lead to the disappearance of a large amount of coastal land. The

government has already started to act by establishing water barriers at vulnerable spots. But its initiative has not yet been generalised along the whole of the northern shore, due to its high cost.

Increasingly, El Niño is being recognised as a truly global phenomenon. In recent months the Food and Agriculture Organisation (FAO) of the United Nations has started closely monitoring weather anomalies and assessing their possible effects on agricultural production in various parts of the world, in order to be able to warn of adverse situations before they develop too far for preventive action.

According to Michael Hage, regional information officer at the FAO, this year there have been either severe floods or droughts in many countries in Africa, which have caused serious damage to agriculture.

According to a FAO report, global cereal production is expected to fall drastically in 1998 under the impact of the El Niño phenomenon. Cereal prices may also be pushed up by nearly 30 to 35 per cent, with international markets reacting nervously to growing uncertainty. Until the potential effects on 1998 rice production have become clearer, trader speculation could well drive prices up by 40 per cent during the first half of 1998. The wheat market has already shown signs of instability in response to recent weather reports, and prices are anticipated to rise by up to 25 per cent in the near future. As for beans, the forecast hike is nearly 15 per cent.

What can an international organisation do, when faced with a world that is getting wilder and warmer every year? The FAO, for its part, is doing what it can. "We have made certain arrangements for assessing the essential agricultural inputs needed to restore production in those countries adversely affected by El Niño," says Hage. "An appeal for financial assistance to implement emergency relief, short-term rehabilitation and preparedness intervention will be distributed to the international donor community in the very near future."

Market report

Pfizer vigour

FOR the third consecutive week, the capital market index dropped in the trading week ending 7 May. Experts agreed that the decline in share value of the Commercial International Bank (CIB), considered a market mover, clouded overall market sentiment.

The performance of CIB shares weakened last month after its general assembly decided to postpone a planned LE250 million capital increase for three months. Making things worse for the bank was the 30 per cent drop in its net profit. CIB's net profit through the first quarter of 1998 was LE37 million compared to LE57.7 million in the first three months of 1997.

CIB officials attributed the plunge in its cornering of up to LE24 million in tax provisions to cover the increase in tax payments after the amendments introduced to the tax law earlier this year.

The problem was exacerbated by the plunge in both its shares traded in the Egyptian stock exchange and its Global Depository Receipts (GDRs) changing hands in London.

Transactions on CIB shares accounted for 22 per cent of overall market turnover through the week as LE17.5 million worth of its shares changed hands. However, it shed 8.36 per cent of its share value to end at LE53.52.

The leading market winner was Pfizer Egypt, a pharmaceutical company, which gained 26 per cent, closing at LE22. The increase came amid news that the company will start production of the new male potency drug, Viagra.

Only two weeks after electronics manufacturer International Electronics (IE) issued a two-million share capital increase, another private company is following suit. Alexandria Real Estate Investments, an affiliate of construction group Talat Mustafa, which itself has 14 affiliates, last week issued 600,000 new shares through private placement. The aim of the offering, which will raise up to LE92 million, is to settle its debts in addition to financing its planned expansions.

Edited by Ghada Ragab

Insurance corruption slammed

The role of public sector insurance companies in a market economy was the subject of heated debate in the People's Assembly Economic Affairs Committee this week. Gamal Essam El-Din reports

Economy Minister Youssef Boutros-Ghali this week declared that inefficiency and underperformance are rife in the insurance sector in Egypt. This inefficiency, he added, can be clearly seen both in distorted legal and administrative structures and in the failure to cope with changing international trends or contribute to national economic development.

"When I took over as economy minister last year, I held an urgent meeting with chairmen of insurance companies. It is 19th century. The sector is outdated and complicated. It is 19th century. It needs to make urgent and tremendous efforts if it is to make it into the 21st century," said Boutros-Ghali.

Boutros-Ghali, addressing the People's Assembly Economic Affairs Committee last Sunday, said that because the insurance market has long been monopolised by four public sector companies, the government in the past had not bothered to upgrade their marketing and administrative systems. "However, I do not want to paint too bleak a picture of the sector. It has to be readjusted soon, so as to contribute effectively to raising growth rates to 9 per cent," he argued. According to Ghali, there are 12 companies involved in insurance operations in Egypt, with total investments amounting to LE1,321 billion in fiscal year 1999/2000.

Boutros-Ghali's statement to the People's Assembly came in response to a barrage of criticism levelled by MPs at the insurance sector last week. Seizing the opportunity to debate a Supreme Auditing Agency (CAA) report on the insurance sector, MPs launched a vigorous attack against four public sector insurance companies, accusing them of corruption, rampant mismanagement and inefficiency.

The four public insurance companies whose financial conditions were reviewed by the CAA were Misr Re-insurance, El-Chark Insurance, El-CAI Insurance and National El-Chark Insurance. In general, the CAA report noted, the volume of insurance, in general, has dropped by seven per cent and there was a reduction of 13 per cent in the amount of personal savings held in insurance. The report also indicated that widespread mismanagement was leading companies to squander large sums of money on unprofitable investments. For example, according

to the CAA report, El-Chark had contributed 95 per cent to the capital of one real estate company without any obvious need to do so or any guarantee of a good return.

"This is in violation of the insurance law [no.101/1981] which states that capital contributions to joint venture firms by insurance companies should not exceed 10 per cent of the capital," the report said. The CAA report also charged the same company with disposing of shares in Abu Qir Fertilisers and Suez Cement Companies, valued at LE62.7 million, at a discount to the market price, with a loss of LE23.2 million.

For their part, MPs charged that insurance companies have become a "black market" of public mispending and mismanagement at corruption. According to Salah Shalhin, an MP for Suez City, poor performance and financial malpractice expose the monies invested by policy-holders to great risks. "The CAA report is quite clear that insurance companies have proved unable to upgrade their administrative systems and put their financial resources to good use. Worse still, they do not have a strategy for dealing with free market competition in the next century," he said. Shalhin also accused the insurance companies of corruption and "cronyism."

Joining forces with Shalhin, Abdallah Tayel, chairman of the Economic Affairs Committee, pointed out that although the insurance sector is one of the most important economic tools through which to promote development in a free market, the Egyptian industry has so far failed to act as an adequate savings channel for the national economy. "In developed countries, the general assembly of insurance companies meets every three months. The sector holds a mere 0.04 per cent," said Tayel.

Minister Boutros-Ghali replied that urgent measures have recently been taken to address both financial and administrative imbalances in the insurance sector. Topping this list, he said, is a recent amendment to the insurance law. "This law will soon be submitted to the People's Assembly to allow for the holding of the general assembly of insurance companies every three months. This amendment will lead to tighter control over the financial performance of these companies and thus help ensure that their investments are used profitably," he said.

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Taking fixes

Netanyahu and Albright were looking for a "creative fix" to the peace process in Washington talks yesterday. The results may spell disaster for Arafat, writes **Graham Usher** from Jerusalem

While Palestinians are preparing to commemorate the 50th anniversary of al-Nakba (the catastrophe), Benjamin Netanyahu is steeling himself for a second meeting with US Secretary of State Madeleine Albright in as many weeks. The two were scheduled to meet yesterday (Wednesday) to "overcome remaining differences" over the American proposal for a 13.1 per cent Israeli withdrawal from the West Bank "so that we can proceed immediately with accelerated permanent status talks," according to a statement released by US President Bill Clinton on Monday.

The meeting appears to be the only fruit of US special envoy Dennis Ross's weekend trip to Israel and the Occupied Territories, originally intended to prepare for a summit between Clinton, Netanyahu and Palestinian leader Yasser Arafat, which was scheduled to be held on Monday. No sooner had Ross stepped off the plane, however, than Netanyahu made it clear that he would not attend any Washington summit under American duress. He counselled, rather, that the two sides work on a "creative fix" to bridge the gap between the US demand for a 13.1 per cent withdrawal and his own insistence that any West Bank pull-back of more than nine per cent "endangers Israel's security needs".

The "fix" may have been met, though the details are murky. According to the Israeli newspaper, *Ha'aretz*, the chief component of the "compromise formula" currently being touted is that Israel initially undertake a redeployment of nine per cent. The remaining four per cent needed to comply with the American proposal would be held in "trust" by the US and transferred to the Palestinian Authority (PA) once it has fulfilled its security obligations under the 1997 Hebron agreement.

But there remain differences between the US and the Israelis even over this formula, which is presumably why Albright wanted to meet with Netanyahu sooner rather than later. According to *Ha'aretz*, Netanyahu on Monday, Netanyahu wants the territory "entrusted" to the Americans to be four per cent. But the Americans want two per cent as a way of dragging the Israeli leader from nine per cent to a "double digit redeployment". The Americans also want the "entrusted" territory to be transferred to the PA at a date close to the second redeployment while Israel is looking for a probation period of between six months to a year.

It is not yet clear whether the PA has been consulted about these new arrangements. According to PLO negotiator Saeb Erekat, the only American proposal the Palestinians have accepted is one that calls for a planned redeployment of 13.1 per cent. "We won't accept a commitment less than that," he said on Monday.

Should Albright and Netanyahu reach some kind of deal after their meeting yesterday, Arafat will be under enormous pressure to accept it, however "creatively" it is fixed. For many Palestinians



Palestinians organised a series of events this week to commemorate the 50th anniversary of al-Nakba (the catastrophe), or the creation of the state of Israel in 1948. Hundreds of Palestinian refugee schoolchildren held a "march of the keys" yesterday to mark the loss of their family homes in what is now Israel. In the picture above, a Palestinian woman, who witnessed the brutal massacre of more than 150 Palestinians in Deir Yassin 50 years ago, was prevented by Israeli police from laying flowers at the entrance of the famous Palestinian village. The highlight of the week will be a series of marches and rallies to be held across the West Bank and Gaza today, the anniversary of the proclamation of Israel's independence. Yesterday, a Palestinian was stabbed to death by a Jewish extremist while walking in a Jerusalem neighbourhood. This was the sixth attack on an Arab in Jerusalem's ultra-orthodox neighbourhood of Mea Shearim in the past six months, though the first fatal one. (photo: Khaled Zighan)

commentators, this is the inevitable denouement of a Palestinian negotiating strategy that has placed all its cards in the Americans' hands. This is why there has been increasing criticism of Arafat's decision to accept the American proposal, even from inside his own Fatah movement.

By accepting the American proposal of a 13.1 per cent withdrawal, says Fatah Central Committee member Hani Al-Hassan, Arafat has agreed to enter the final status talks with only "around 16 per cent of the West Bank under the PA's full control and 22 per cent under its partial control." He added that "this leaves Israel with 62 per cent of the West Bank to bargain over," gravely weakening the Palestinian position when it comes to negotiations on Jerusalem, settlements and borders.

But what is causing most concern among Palestinians is the confusion over the third redeployment, supposedly guaranteed (by the then US Secretary of State Warren Christopher) in the 1997 Hebron agreement to occur "no later than mid-1998". In an interview with *The Gulf* newspaper on 9 May, Arafat said that under the American proposal the third redeployment has been developed to a supervisory committee "made up of the US, Israel and the PA. The Israelis are insisting that this committee be 'collapsed' into the final status negotiations on borders. US State Department spokesman, James Rubin, only says that "there are different interpretations" over the third redeployment.

These different interpretations go to the heart of the conflicting

visions Israel and the PA have of the Oslo process. Netanyahu insists that he has an American guarantee that the extent of any further redeployments will be on the basis of Israel's security needs which "we [Israel], and we alone, will determine." The Palestinians argue that, while percentages of land are not specified in the Oslo Accords, what is specified is that by the end of the third redeployment, Israel should be out of everywhere in the West Bank except for settlements, East Jerusalem and "specified military locations." Taken together, say PA officials, these three areas comprise no more than 10 to 20 per cent of the West Bank, with the rest under the PA's full or partial control.

Until there is clarity on the second and third redeployments it is difficult to see how resolving the current crisis in the Oslo process will not produce a greater crisis as soon as the final status talks begin. But most Palestinian analysts are convinced that the only way Netanyahu will accept a second redeployment of 13.1 per cent is in return for a cancellation or "postponement" of the third. Is it possible that Arafat would agree to this — under US pressure — simply to keep some mutant of Oslo alive?

If he does so, it will be one of the most fateful decisions of his political career," says Hani Al-Hassan. "To postpone the third redeployment as Netanyahu wants is to accede to his vision of a final settlement in which Israel keeps 50 per cent of the West Bank. No Palestinian can accept this."

Forgotten but not forgetting

The Palestinians in Lebanon marked the 50th anniversary of their dispossession with little hope for return, or even more humane conditions while they remain in exile. **Zeina Khodr** reports from Beirut

As Israel celebrates its 50th anniversary, hundreds of thousands of Palestinians remember al-Nakba or "the catastrophe" of 1948 when they lost their lands. New generations have brought the number of Palestinian refugees here to around 350,000. For the past 50 years, these refugees have been living and are being brought up in the memory of the day when they were forced into abandoning their homes.

"I still dream of my home," says a young Palestinian boy named Ahmad. "I have Palestinian friends in my class. I wear this pendant — a map of Palestine — on my neck, and I try to participate in activities that show my Palestinian identity. I think, even though we face many obstacles, refugees cannot do anything but keep hope alive. They all dream to return. With tears in his eyes, Abu Mohamed slowly whispers: "We want to go back to Palestine. I want to die in my homeland, my Palestine."

But dreaming is all they can do. Peace talks between Israel and the Palestinian Authority have been deadlocked. The fate of Palestinian refugees is tied to a final settlement, which, currently seems to be out of reach.

"We all live in hope. But at the same time we will continue to fight to return," Sultan Abu Azzam, the PLO's representative in Lebanon, told the *Weekly*. "If we stop the fight, we will be buying our rights, and the Palestinian cause."

While the hope of return is in the hearts of the people, on the ground, there are meager signs of this hope coming close to fulfillment. Over the years, Palestinian refugees in Lebanon have been suffering from dire socio-economic conditions. They live in 12 impoverished and squalid camps scattered across the country. Long, narrow, winding streets, ramshackle huts and no sewerage are all too common in the camps, which lack basic infrastructure. On every street corner, there are piles of garbage. Children play barefoot and ride their bicycles on roads littered with debris. Most of them live in one- or two-room cement homes with tin roofs.

"We have suffered. I lost a son during the Israeli invasion and another one has been missing for 13 years. I do not know if he is alive or dead," *Umm Mohamed* said. Her husband, *Awad Salah Mohamed*, has been bed-ridden for the last 10 years. They live in a one-room house. "What do they want me to do? My husband and I cannot work. Do they want me to beg in front of mosques? There is no one to help us but God."

Palestinians here receive health and educational services only from the United Nations Relief and Works Agency (UNRWA). UNRWA relies on donor nations for funds. While it is doing its best to provide much needed assistance, it concedes it is not enough. "The problems we face mainly stem from the fact that we need more money than we get," UNRWA's director-general, Wolfgang Plaza, told the *Weekly*. "We need more money in Lebanon than in other countries where we operate because life here is more expensive and our role is very crucial for the refugees."

But Plaza denied that the level of their services has dropped. "In general, we really did not cut services," he explained. "We just changed the way we distribute and provide assistance. All Palestinian children are given the chance to attend primary school, and we do provide health services."

Ever since they settled in Lebanon, Palestinians have been denied basic services from the government. They are barred from practising certain professions and banned from travelling freely to and from Lebanon. The Lebanese government also denies Palestinians political and civil rights, so as not to encourage them to settle in Lebanon. Officials fear that resettling Palestinian refugees in Lebanon would upset the fragile demographic balance between Christians and Muslims.

The PLO's representative in Lebanon, Abu Azzam, sharply criticised the government's policy towards the refugees. "The authorities are not treating us fairly, we should be given rights," he said.

"I am sorry to say this, but our treatment by the Lebanese government is not one of a brother. We did not come here looking for food or as tourists, we came because we were escaping massacres," another Palestinian official to the *Mar Elias camp* in Beirut told the *Weekly*. "We are treated as human beings. We do not want to stay. We would go back to Palestine anytime. The government should not worry."

Palestinians have also lost hope that the current peace process and the 1993 Oslo Accords — reached between the Palestinian Authority and Israel — will ensure their right to return to Palestine. "It is not a peace process but a political settlement aimed at making Palestinians give concessions at making an official of the Democratic Front for the Liberation of Palestine, said. "One of the concessions they want us to make is to relinquish our right to return, which is enshrined in UN General Assembly Resolution 194. We will not give this up. We will continue to work until all of us return." A widespread and forgotten community — is how the Palestinian refugees here describe themselves. A community which has suffered over the years. And they believe their suffering will continue, since they pin little hope on the success of the peace process in ensuring their return to their homeland. Moreover, their fears are exacerbated by reports they read occasionally in the Arab and Western media on plans to resettle them in northern Iraq, Canada or anywhere where their cause would be erased from history and human memory.

Yassin's charm offensive

The ongoing high-profile tour by Hamas leader, Ahmed Yassin, of Arab and Islamic countries has Arafat more than a little concerned. **Tarek Hassan** in Gaza and **Khaled Amayreh** in Jerusalem report

While the Palestinian Authority has not officially reacted to the generally warm welcome which Hamas leader, Sheikh Ahmed Yassin, has received on his official and popular levels during his Gulf tour, the heavily-censored Palestinian media has ignored the news almost completely. Indeed, some PA officials termed Yassin's extended trip as "coming at the PA's expense," "harmful to the peace process" and even "irresponsible."

Nabih Amr, one of President Yasser Arafat's closest advisers, last week signalled the Palestinian leadership's dismay at Yassin's "inflammatory remarks" against the Oslo peace process, saying they were "harmful to national

unity." Speaking from Gaza via satellite with Dubai television, interviews which Yassin (he didn't mention him by name) had given as a "campaign of political sabotage." Amr complained that Yassin's media blitz was weakening Arab and Muslim support for the PA and the peace process, which he said was incompatible with the PA's expense.

However, what seems to have angered the PA the most was the co-observably wide popular support which Yassin's tour may have gained for Hamas among the sizeable Palestinian expatriate communities throughout the oil-rich Gulf region. In Iran, Yassin had an audience with the country's top Islamic leader, Ay-

atollah Ali Khamenei, as well as with President Mohammad Khatami and former President Ali Akbar Hashemi Rafsanjani. According to some reports, Khamenei referred to Yassin as "the real, legitimate and sole representative of the Palestinian people."

Needless to say, the message such words convey is as much to the PA as to the Hamas, which naturally views with anxiety any suggestion that its representation of the Palestinian people is questionable or objectionable. Iran also



A Palestinian child waves a Hamas flag during a rally in the West Bank town of Hebron on Saturday. In the background is a poster of Hamas' spiritual leader Sheikh Ahmed Yassin (photo: AFP)

several Palestinian POWs who were fighting on Iraq's side during the 1980-81 Iran-Iraq war.

Arafat was particularly worried by Yassin's visit to Saudi Arabia where he was reportedly well received by top Saudi officials. Arafat visited Saudi Arabia while Yassin was in the Kingdom, but the two did not meet. Arafat was accompanied by Al-Tayeb Abdel-Rahim, one of his closest advisers with responsibility for Hamas and Jihad activities. He reportedly received assurances from Riyadh that it will continue to support the PA.

Yassin's statements and views on the peace process during his tour acquired added credibility after the failure of last week's London talks. He pointed out in a television interview in the United Arab Emirates that the aggressive policy of American policy expects the movement will become stronger as a result of Yassin's tour. It is renowned that Yassin has been able to secure millions of dollars in financial support from wealthy Gulf philanthropists sympathetic to the Palestinian cause. As one Kuwaiti newspaper reported, Yassin is viewed as an "uncontaminated" Palestinian leader who doesn't compromise on Arab Muslim rights and adopts the language of force that is the only one understood by the Zionist enemy. According to Arab analysts, another contributing factor to the warm reception Yassin has received on his tour is the fact that Gulf states remain bolder towards Arafat because of his support for Iraq's invasion of Kuwait in 1990.

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Talking and fighting

The Sudanese government and southern rebels disagreed over the results of their latest round of peace talks in Nairobi, ensuring that no solution to the ongoing war is at hand, writes Mohamed Khaled

Talks in Nairobi between the Sudanese government and the southern Sudanese rebel movement, the Sudanese People's Liberation Movement (SPLM), were held last week against the backdrop of continuing fighting and a famine facing 350,000 people in southern Sudan's Bahr Al-Ghazal region. Both the government and the SPLM gave conflicting views on the agreement reached on a Sudanese referendum on the right to self-determination in southern Sudan. While government officials regarded the accord as a major step towards ending the 15-year-old war, SPLM leaders branded the talks a failure. Kenya's foreign minister, who hosted the talks, said that the agreement "probably does not mean that we are on the verge of a major breakthrough, but there is certainly progress."

Clarifying the SPLM's position, the movement's spokesman in Cairo, Yasser Arman, told Al-Ahram Weekly that the agreement "is at a very early stage... we cannot consider that there has been real progress because our perspective on the issue is absolutely different from that of the government."

Arman added: "Despite the general agreement on a referendum, there are several issues that remained unresolved. We are demanding a referendum on self-determination during a transitional period which is not dominated by the NIF (the ruling National Islamic Front). Moreover, the geographical borders of the area where the referendum is to be conducted have yet to be defined."

Farouk Abu Eissa, spokesman for the northern and southern umbrella opposition group, the National Democratic Alliance (NDA), elaborated on the deep divisions separating the SPLM and the government. He said, "While the SPLM calls for a new, democratic and secular Sudan that is based on separating religion and the state, the strategic position of the government, dominated by the NIF, is to establish a theocratic religious state where a certain religion would dominate others." Abu Eissa said that the government had practically legalized this concept in the new constitution passed by parliament a few weeks ago. "The constitution reaffirms the role of Islamic law along with the NIF's monopoly of power," he added.

The Nairobi talks, held under the auspices of the African region and Intergovernmental Authority on Development (IGAD), coincided with a referendum last week on the new constitution but going ahead with the poll was regarded as yet another obstacle in reaching a settlement between the government and the opposition. "We have major reservations about this constitution," said Arman. "It represents the NIF's agenda. The current referendum is taking place in the absence of democracy and general freedoms. Most of the population, it is too early to conduct a referendum on a constitution while the issue of war is not yet settled," he added. IGAD mediation started in 1993. Five rounds of peace talks were held in an attempt to reach a peaceful settlement to the civil war in Sudan. None of the rounds, including the last, reported progress since all ended without resolving the most contentious issues: separating religion and state.

Arman and Abu Eissa expressed doubts about IGAD's formula and agenda. "In the past, the formula for bilateral talks

between the government and the SPLM, and the agenda for putting an end to the war in southern Sudan were accepted. At the moment, the picture has changed. The war has extended to other northern parts of Sudan. The crisis is no longer the war in southern Sudan but has gone far beyond that — to the lack of democracy, massive violations of human rights and the co-optation of Sudan by the international community as a terrorist state," said Abu Eissa.

Arman ruled out the possibility of reaching a future agreement with the government. "SPLM is not optimistic about any progress that may occur under the current regime. We are not positive about the government's credibility." He cited the government's recent promise to return seized Egyptian properties in Sudan. "When the Egyptian delegation went to Khartoum, it spent 10 days in fruitless negotiations. If the government is not credible in such minor issues with neighbouring countries like Egypt, how can we count on its promises on issues relating to lasting peace in Sudan?"

Some analysts believe Sudan offers the example of an ethnic conflict that has transformed slowly, but surely, into a complicated conflict. The current regime, in turn, made it more complex by turning the conflict into a holy war versus the enemies of Islam.

More doubts about the future feasibility of the talks are cast by Arman. "The 1972 Addis Ababa accord [when a peace agreement was reached between the government and southern Sudanese rebels] proved that a lasting peace is possible in the absence of a national consensus. This is absolutely lacking in the current negotiations."

Abdel-Hamid Mehri, former secretary-general of Algeria's National Liberation Front, tells Amira Howeihi that unless real political solutions are adopted, the country's six-year-old state of violence is bound to continue

removed Mehri from his post two years ago — is now being repeated with the Islamic-oriented Al-Nahda. The government designed the (June 1977) parliamentary election results, they designed the elected council and now they want to design the shape of the political parties which are becoming less powerful and less independent. They have done this, for example, by prolonging the emergency law which should have been given earlier. The Algerian crisis is no longer believes in a political solution, does not trust the electoral process and is faced with either depression or resorting to violence," explained Mehri.

Although it was international pressure that urged the disclosure of the SDG violations, Mehri does not believe such pressure could push the government to adopt "real" political solutions. "The foreign factor is more or less determined by where those nations' interests lie. I am not inclined to believe that any foreign country is willing to jeopardise its interests in Algeria by opposing the regime any further," he said.

The question is, how can the cabinet implement any of its ambitious economic plans while the violence continues? "The government is going ahead with its reform plans: privatising the public sector, laying off thousands of employees and workers, hoping it can strengthen the private sector. It has formed the real political crisis because of the violence," Mehri said.

The reason the government is unwilling to end the violence, he added, is that "Algeria has sufficient oil revenues that it does not need to compromise yet." When the GDP goes down, it is compensated by exports, "thus winning new allies among European countries."

Though he admits his view is hardly an encouraging one, Mehri is sticking to it. "The Algerian crisis is not a crisis of crises. It is facing, and which are there to be seen by all, there is no option but to be pessimistic."

Massour regretted the double standards employed by Western governments which he said, use the issue of terrorism against Arab governments and ignore it when it comes to terrorism in their own countries. "When a terrorist attack occurs in Western countries, the media describe it as 'brutal' war carried out by 'barbaric' groups. But when it takes place in Egypt or Algeria, they deliberately use terms such as 'militant groups' or 'militant opposition' to dilute the Arab image."

The Algerian government has turned down offers by the European Union and the United States to send a committee to inquire into the massacres. "Some European countries made bets on the extremists taking over. They planned, funded and pushed in that direction. Even European governments, which have long had relations with us, have not learned from the lessons of the October 1989, they would have recognised that Algerians do not, and will not, accept, intervention in their internal affairs," Massour said.

Massour criticised Western governments for providing shelter to terrorists and called for serious action to break terrorist networks operating in Europe. "This would stop uproot terrorism and prevent attempts to intervene in the internal affairs of countries in the name of human rights," Massour said.

Edited by Khaled Dawoud

Turabi's not-so-hidden agenda

The fundamentalist Sudanese National Islamic Front leader Hassan Al-Turabi is responsible for the recent setback in normalisation attempts between Egypt and Sudan, writes Abdel-Azim Hammad. Yet, Al-Turabi's miscalculations cannot reverse a process which has already started

The relatively sharp tone of the latest Foreign Ministry statement on the current Egyptian-Sudanese normalisation process reflected Egypt's profound disappointment at Sudan's laxity in implementing agreements reached recently between the two countries. The carefully worded statement carried two messages: first, that Egypt is keeping the door open for more rounds of talks to normalise relations with Sudan; and second, that Egypt is still prepared to engage in further talks aimed at achieving national reconciliation between the government and opposition in the south.

So far, Egypt is not contemplating a review of steps already taken to improve relations with Sudan. Both the new trade agreement and the agreement to resume river transportation have been finalised at Sudan's request. In fact, the Egyptian-Sudanese Commodity Export Program — established within the framework of the trade agreements — is continuing at business-as-usual rates, ensuring Sudan the same payment and financing structure it has enjoyed in the large debt owed to Egypt which had accrued even before the agreement was renewed.

An Egyptian delegation (including representatives of the ministries of foreign affairs, defence, public works, education, and higher education) spent 10 days in Khartoum recently awaiting the hand-over of Egyptian properties which Sudanese authorities had confiscated from Egyptians living in Sudan in the mid-1980s as relations deteriorated between the two countries. Before closing that unhappy page in Sudanese-Egyptian relations, 17 Egyptian terrorists who had fled to Sudan were to be extradited back to Egypt.

After that, the two countries were expected to proceed along parallel lines to solve the problems between them. First, the border dispute over the Hilyabeyh wetlands had to be solved within a regional integration context. Second, acceptable solutions had to be found to bring together the Khartoum government with internal opposition groups in the north and south. The Egyptian delegation to Khartoum, however, found a situation vastly different from what they had expected.

According to Egyptian officials associated with the Sudanese file, Hassan Al-Turabi, leader of the National Islamic Front and Sudanese Parliament Speaker, is backed by a faction opposed to President Omar Al-Bashir's policies seeking an unconditional resumption of relations with Egypt. Al-Turabi's supporters include Ghazi Salah El-Din, minister of presidential affairs, and Ali Mafie, the former head of Sudan's political intelligence service — both of whom are known for their antipathetic comments regarding Egyptian policies. Al-Bashir's faction, on the other hand, includes his vice deputy Ali Taha, Foreign Minister Mustafa Masour, Minister of Interior Bakri Saleh and former Vice-President Gen. Al-Zubayr Mohamed.

Al-Turabi's faction believes that a resumption of relations with Egypt, and more importantly the exploitation of such a relationship to achieve national reconciliation, will automatically weaken Al-Turabi's relative weight on the political scene in Sudan, and may even lead to his total isolation. The faction believes that if they succeed in persuading Al-Bashir that Sudan does not need Egypt, they may be able to exploit the situation to their own benefit.

Another belief held by Al-Turabi's faction may be that the recent Chad Summit of Central African States, in which Libya and Sudan participated, succeeded in breaking the regional isolation imposed on Sudan.

Al-Turabi's faction may also wish to wait for some time after the latest round of talks in Nairobi between the government and John Garang's Sudanese People's Liberation Army (SPLA). Making progress in these talks, Al-Turabi believes, will help to break the present alliance between the southern and northern opposition groups. That is why Al-Turabi did not expose the new constitution, which is an acknowledgement of the principle of the right of self-determination for the southern Sudanese people. This would help bring the regime closer to the SPLA. If this speculation proves correct, then US policy — which is currently hostile to Sudan and calls for the overthrowing of the regime in Khartoum — will certainly change.

Sudan will finally be able to break the grip of its international isolation. It will then be able to enter negotiations with Egypt and request that Cairo expel northern opposition groups operating in Egypt and withdraw Egyptian troops from Sudan. The Sudanese government has been over the terrorists who were an embarrassment to security authorities who had been under one of Al-Turabi's men, when the failed assassination attempt on President Mubarak took place. Officials concerned with the Sudanese file in Egypt dismiss speculation that the Chad summit helped Sudan break out of its regional and international isolation. The meeting, they say, did not solve Sudan's problems on the eastern and southern borders with Uganda, Eritrea, and Ethiopia. All three African countries staunchly support Garang. As for the speculation on the agreement with Garang, even if it does prove successful, it alone cannot guarantee a change in US policy towards Sudan. US policy is based on a strategic approach to the continent as a whole, including East Africa and the African Horn. The latter region, in particular, forms part of the so-called Clinton Project for the Great Horn of Africa which includes Somalia, Ethiopia, Eritrea, southern Sudan, Uganda, Rwanda, Burundi, and Kenya, extending into the Democratic Republic of Congo (formerly Zaire).

Such an ambitious project, enjoying political support at the highest levels of US foreign policy, will entail far greater risks than Sudan alone can address in the context of its agreement with Garang is reached. Egypt must play a significant role in addressing the harmful consequences of this US plan, which is welcomed by most of the African countries concerned. It should be noted that the decision to clear the air and exercise special relations between Egypt and Sudan had been taken in the two countries' capitals simultaneously, while US Secretary of State Madeleine Albright was winding up her tour of Africa last December. In Kampala, the capital of Uganda, she had declared that ousting the present regime in Khartoum was a top US policy priority in Africa.

The efforts of the Al-Turabi faction to impede the normalisation of Egyptian-Sudanese relations are an exercise in futility destined to evaporate into thin air once the Chad Summit and the Nairobi talks prove to be ineffective in solving Sudan's problems. At this point, Khartoum's need to conclude an alliance with Egypt to protect its joint interests will prove to be an urgent one. At such a moment, officials in the two countries will not waste any more time in turning over Egyptian assets in Sudan to their rightful owners, or to pay compensation for whatever facilities have been used during the take-over by the Sudanese government.

By claiming its possessions in Sudan, Egypt was not only seeking to redress a wrong, but also soliciting some expression of regret by the Sudanese government.

The writer is assistant editor-in-chief at Al-Ahram.

'No option but pessimism'

Two weeks ago, the Algerian government disclosed information on the complexity of a number of government officials and politicians who are accused of murder, abuse of power, theft and corruption. So far, 128 cases involving members of the government-armed self-defence groups (SDG) are being tried. But has this move earned Algeria the credibility it desires? And will it put an end to the pressure by human rights groups, the UN, the EU and the US to allow independent investigations into the ongoing violence? Moreover, are they the only cases of governmental transgressions? To Abdel-Hamid Mehri, former president of the National Liberation Front (FLN), and secretary-general of the National Arab Congress, the simple answer to all these questions is "No."

In an interview with Al-Ahram Weekly, Mehri pointed out that information recently published on the violations committed by the SDG "was well-known to the general Algerian public, but was subject to an absolute blackout from the state-run media."

Now that the authorities have permitted the release of information on specific violations, said Mehri, the question is automatically posed: "Are these violations the full reality of what has been going on, or just a sample of the many more cases that exist?"

Critics who previously warned of the consequences of arming civilians are still worried," he said. "We are talking here about 200,000 armed people."

Why then did the government release such information? "I believe that the timing is not so much significant as it is inevitable. First of all, it is not hiding anything. Secondly, it is an indirect response to the pressing demands now heard even from pro-government politicians and individuals calling for an investigation into certain aspects of the violence in certain massacres. Moreover, they

hope this information will comfort those foreign circles which have repeatedly called for transparency on the violations," Mehri said.

He warned, however, of the possibility that what has been disclosed is only "part of an on-going reality." This possibility springs from the nature of these self-defence groups, which Mehri contends, are not qualified to maintain peace and security. "A main concern here is the deviation of these groups from their announced objective, which is to protect civilians and their property," he said.

The violations committed by the SDG support many of the accusations voiced by various human rights groups, yet no mention was made by the Algerian government of the alleged complexity of the army in the massacres. A report issued by the London-based Amnesty International earlier this year cited several examples where massacres occurred just metres away from military camps.

More than 83,000 people have died since the outbreak of violence 1992 which Algerian officials blame on the Armed Islamic Group (GIA).

Mehri explained the circumstances of these massacres raise questions as to the identity of the perpetrators, the victims and who is responsible for this negligence in protecting civilians. He asked: "Are these questions are being asked by the Algerian people, and unfortunately they remain unanswered?"

However, he said, the following conclusion is inevitable: "That violence is practised by several parties... Some of these parties do not have a recognised identity or aim."

"It is more than likely that some parties would actually like to see the Algerian crisis continue with no solution, even if this means committing more massacres," Mehri said. "Those who refuse real change and a democratic political solution."



Abdel-Hamid Mehri

He pointed to another "more important conclusion" — that the spread of new forms of violence "simply demonstrates the failure of the 40-year-old policy favouring a military solution and political ostracisation."

This is shown, he said, by the government's rejection of the "positive role that could be played" by the outlawed Islamic Salvation Front (FIS).

Last summer, the FIS — which won the legislative elections in 1992 — was immediately cancelled by the army — announced an unconditional unilateral truce following the renunciation of its leader Abdelhamid Mehri.

"This truce was completely ignored, as if it was an insignificant gesture compared to the escalation of the crisis," Mehri said. "Moreover, the truce was met with further hard-line policies that stood against any co-ordination between the FIS and the other political forces."

"This proves that the regime does not want a political solution or that it believes that the crisis is actually over and that the institutions it has formed are the real political solution," he added.

But six years after its liquidation, what influence does the FIS have on the Islamic Salvation Army (ISA), have on political decision-making? "The popular base of the FIS is there, and is still very powerful. Indeed, the FIS is still capable of playing a vital role in eliminating the violence, but the government has to allow it to do so, and as far as I can see, they don't want it."

The entire political spectrum is undergoing similar marginalisation, he said. The government-orchestrated split in the FLN — which

works to revive the dream of colonisation. The UN Human Rights Committee did not condemn Algeria for any violation," Massour said.

Massour regretted the double standards employed by Western governments which he said, use the issue of terrorism against Arab governments and ignore it when it comes to terrorism in their own countries.

"When a terrorist attack occurs in Western countries, the media describe it as 'brutal' war carried out by 'barbaric' groups. But when it takes place in Egypt or Algeria, they deliberately use terms such as 'militant groups' or 'militant opposition' to dilute the Arab image."

The Algerian government has turned down offers by the European Union and the United States to send a committee to inquire into the massacres. "Some European countries made bets on the extremists taking over. They planned, funded and pushed in that direction. Even European governments, which have long had relations with us, have not learned from the lessons of the October 1989, they would have recognised that Algerians do not, and will not, accept, intervention in their internal affairs," Massour said.

Massour criticised Western governments for providing shelter to terrorists and called for serious action to break terrorist networks operating in Europe. "This would stop uproot terrorism and prevent attempts to intervene in the internal affairs of countries in the name of human rights," Massour said.

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What's going to happen to Algeria? It's anybody's guess. The North African country is in the midst of a bloody civil war that has killed tens of thousands of people since 1992, when the army cancelled elections that Islamists were poised to win.

Algerian Interior Minister Mustafa Bin Massour rationalises the problem as basically a "conspiracy" targeting the country. He blamed the violence on what he called "foreign circles" who, he said, manipulated "criminals and traitors" in government code names for the Islamists.

"From the beginning of the operations, Algeria made it clear that it was the victim of a conspiracy which aimed to break up the essence of the state. When it did not succeed, it turned to brutal massacres against innocent victims."

Massour described terrorism as organised crime working through Mafia systems and directly linked to the trafficking of drugs and weapons.

The Algerian government has accused Iran and Sudan of supporting terrorists in Algeria. "Everybody knows from whom those military operations were launched, who funded them and where terrorists have been trained since the eighties," Massour said. "The current crisis does not target only Algerian stability."

With the signing of the first Arab anti-terrorism treaty two weeks ago, Massour

appeared more optimistic about solving the Arab security disputes: "Even if there has been some mis- understanding in the past, now we are committed to fighting terrorism by all available means."

Massour indicated that his government's security forces had made substantial progress against Islamist militants whose activities, he added, had remarkably declined. "We proved that point in 1997, inviting more than 800 Arab and European journalists to visit the sites which have been the theatre of bloody attacks."

Five years ago, rallies by the now-banned Islamic Salvation Front brought out over 100,000 supporters into the streets of Algiers. Today, the chance of mass unrest is said to be small.

"After two and a half years, Algeria has completed its transition to a democratic system and presidential institutions. Thus, all partners of the national dialogue, including the major ones, are represented within the democratic system of the state," Massour said.

Earlier this year, Algeria agreed to receive a delegation of ministers from the European Parliament, the Arab Bar Union and the Organisation for Security and Co-operation in Europe. Massour described the groups as "rumpets" which broadcast lies.

While the Algerian government blames extremists of the Islamic militant group GIA for the bloodshed, state security forces are alleged to be involved in some of the massacres. Massour denied the accusations, say-



Mustafa Bin Massour

ing such allegations are made by Islamist extremists "whose only aim is to justify their failure and plant suspicion in international circles."

However, the Algerian press recently reported the arrest of a number of local officials and commanders of state-run civilian "self-defence groups" who are implicated in some village massacres.

According to Massour, "There is no mystery about the subject. Some citizens reported violations by local officials that are currently being investigated through judicial channels which enjoy absolute independence and in which the Algerian press is free to investigate the massacres. Criticising the

massacres, he said, is the duty of human rights groups. These accusations levelled at Algeria, as well as at some other Arab countries, are part of the 'trade of human rights' which

The Algerian interior minister blames the bloody violence in his country on "foreign circles" and denies accusations that the regime may be partially responsible for the massacres of civilians. Amira Ibrahim met the Algerian official while on a Cairo visit

Palestinians 50 years on

Yasser Arafat's PLO has failed the Palestinian people. The political and military struggle has failed. The economic and demographic are on their side. It is time to start planning the new phase of the struggle.



Yasser Arafat, center, with other PLO leaders in the West Bank, 1994.

Since the end of the Second World War, all the colonized peoples of the world have been liberated, including most recently the peoples of South Africa. As we enter the third millennium, only the Palestinians remain the victims of a bizarre policy of racial discrimination and ethnic cleansing by — of all people — the victims of the greatest act of horror of the 20th century.

For the last 50 years, Western discourse on the Arab-Israeli conflict has mainly reflected the version of history offered by mainstream Zionism, while Palestinian and Arab claims have been routinely ignored. Only recently has the Zionist version of what actually happened been seriously questioned by a new generation of Israeli scholars, whose work confirms what the Palestinians have been claiming all along. According to Ilan Pappé, one of the "new historians" at the University of Haifa, two major claims have been validated by the new Israeli scholars: the direct responsibility of Israel and the Zionist movement for the Palestinian Catastrophe (Nakba), and the crucial role of the great powers (including the Soviet Union in the late 1940s and 1950s) in preventing the Palestinians from realising their national aspirations.

In the autumn of 1993, on my first return to Palestine since 1947, Amos Oz, the well-known Israeli novelist and Peace Now leader, a man whom I have come to know and like well, told me, as we stood together in front of my former home in Jaffa (now inhabited by an Israeli professor, his wife and grown son) "if the Palestinians had not fought us, they would still be living in their homes."

If even compassionate liberals of Oz's stature find it difficult to overcome the Jewish denial of what actually happened in Palestine, how can genuine reconciliation ever take place between the two peoples? But the problem goes much deeper. Even if there were ready to admit the facts, as the new Israeli historians have done, would there also be readiness to assume the responsibility those facts establish? As Michael Walzer, a radical Israeli writer and critic, has put it, "Israel's new historians admit the facts, but not the guilt. This, perhaps, is the difference between post-Zionism and anti-Zionism."

From the beginning, the Palestinians have been the great repressed of the Zionist consciousness. When Ahd Ha'am pointed out early on that there were Palestinians in the land of Palestine, the immediate Zionist response was to ignore the issue, a radical Israeli writer has shown, they mostly focused on finding ways to get rid of the Palestinians. Coexistence and accommodation were never considered as a serious option, only a temporary strategy. We now have a clear idea of how the roots in Theodor Herzl's mind well before the turn of the century, when he wrote "we shall split them [the Palestinians] across the frontier." As this idea developed into a practical policy, the idea of coexistence was an early first step in its application. For the Zionist movement, and later for Israel, the problem of another people living in Palestine was never seen as a moral problem. They only saw it as a practical one. The moral dimension of the problem requiring a military-political solution. Some Zionists solved the problem by an act of mental annihilation, simply denying the Palestinians' very existence or identity. Golda Meir, one-time Israeli prime minister, declared that "there is no such thing as a Palestinian people." The writer Jane Peters went to great lengths to establish in a massive book that Palestinians were immigrants from the surrounding countries. In this light, it is interesting that, until recently, the word Palestinian was not used by the Israelis. The Palestinians inside Israel, though, were referred to as "the minorities" and identified by religion or ethnic origin, as in the Muslim minority, the Christian minority, the Druze minority, the Bedouin minority, etc. Sometimes the word "Arab" was used to reduce these "minorities" to a faceless, alien group, part of the equally faceless 300 million inhabitants of the world that surround the state of Israel and who also happen not to be Jewish.

One of the most important achievements of the new historians was to establish that the flight of the Palestinian population in 1948 was the result of careful planning by the Zionists and not, as the official Israeli version of history maintained, simply a consequence of Palestinian panic. The newly declassified documents prove that the Jewish Zionist forces routinely expelled the inhabitants of the villages and towns they conquered, sometimes massacred the inhabitants, and often systematically destroyed those villages to which they feared the refugees might return.

It is important to remember that the Zionist project always had in sight an Arab-free Eretz Israel. This partition, understood as a solution based on sharing the land with the Palestinians, was never seriously considered. As Noam Chomsky reminds us, Ben Gurion in 1938 accepted the Peel partition plan only because, as he put it privately, it would be a temporary arrangement leading to the establishment of a state. "After we become a strong force, as the result of the creation of a state, we shall abolish partition and expand into the whole of Palestine... Ten years later, when the state was established covering 78 per cent of Palestine, Menachem Begin objected, declaring that this represented an illegal partition of the 'homeland', 'Eretz Israel', he said, 'and be returned to the people of Israel, all of it. And forever.' And in 1974, following the Yom Kippur war, Yitzhak Rabin supported the idea of separation not only, as he put it, to isolate the Palestinian population, but also to create 'the conditions which would attract natural and voluntary migration of the refugees from the Gaza Strip and the West Bank of Jordan.'

Now the question I wish to ask is, why have the Palestinians failed after 50 years of struggle to liberate their homeland?

I shall attempt to answer part of this question, by asking the more specific question, why has the Palestine Liberation Organisation (PLO) been so utterly defeated, despite the vast financial and political support it received from all over the world, and despite the enormous sacrifices of the Palestinian people?

I was in Jordan in the winter of the Arab defeat in 1967. I witnessed the emergence of the PLO as the umbrella organisation for the major Palestinian guerrilla groups, including the two most important, the Movement for the Liberation of Palestine (Fatah), an ideologically-

mixed group headed by Yasser Arafat, and the Popular Front for the Liberation of Palestine (PFLP), the major leftist grouping, led by George Habash. In my view, the fate of the PLO was sealed when the leadership of the newly-structured organisation was won by Arafat. For the next thirty years, the PLO was dominated by conservative forces linked to oil-rich Arab regimes and was shaped by Arafat's patriarchal style and leadership. As for the Palestinians, it was reduced to a subordinate role, though it continued to enjoy wide support among the intellectuals and the educated youth of the refugee camps.

Had George Habash been elected to the leadership of the PLO, would the organisation have become a genuinely revolutionary movement, something which was never allowed under Arafat? It is difficult to tell. Looking back, though, it is hard not to believe that, left-wing leadership would probably have given the PLO the two essential ingredients Arafat so disastrously failed to provide: a political vision, and rational organisation and practice.

In the summer of 1969 I met Habash and Arafat separately, in the western hills of Jordan, where the various guerrilla groups had been encamped since the end of the 1967 war. They could not have been more different — in appearance, personality, education and intellectual orientation. Habash was a medical doctor in his early forties, a secular Arab nationalist with a Marxist orientation, educated at the American University of Beirut, fluent in English and a charismatic public speaker. He was a perfect example of the educated, modern, post-World War II Palestinian intellectual. We talked for hours about different subjects, about the then dangerous situation in Jordan, intra-Palestinian factional differences, United States policy and the programme of the PFLP. Joining us at various points during the discussion were young men and women in khaki uniforms, some of whom had recently crossed the river to join the PFLP. I came back convinced that a revolutionary Palestinian movement had emerged, one capable of mobilising the great human and material potential

within the lives of thousands of young men and women were for years repeatedly sacrificed in the same so-called commando operations against Israel that almost invariably ended in disaster, achieving nothing but to make it easier for the Israelis to portray the Palestinian guerrillas as terrorists.

The Madrid peace process initiated in 1991 produced what Arafat has always dreaded most: the emergence of an alternative Palestinian leadership. The distinguished Palestinian negotiating team headed by Dr Haidar Abdul-Shafi projected an image of Palestinians as rational, practical and articulate, in sharp contrast to the image Arafat and his group. He had every reason to fear Abdul-Shafi, a respected physician who looked like Mandela, with an impeccable political record and a long history of struggle. Abdul-Shafi would probably have been playing a leading role in shaping Palestine today, had he been allowed to remain in the public eye. But Arafat's secret Oslo agreement not only enabled him to pull the rug out from under Abdul-Shafi and his team, but to put himself firmly back in the saddle. Duly elected chairman of the Palestinian Authority in 1995, he emerged more powerful than ever. Now formally recognised by the international community as the democratically elected spokesman of the Palestinian people, he had the power to agree to any condition acceptable to Israel and to validate any final settlement simply by affixing his signature to it.

In the eyes of many of the Palestinian people today, it is Arafat who represents the gravest threat to their cohesion, security and national well-being. But Arafat will not last forever. In the next few years, as the older Palestinian generation dies out and the younger generation takes over, fundamental changes are likely to take place in the political organisation and goals of the Palestinian people in regard to action within Israel itself, in the West Bank and Gaza and also in the Palestinian diaspora.

What form will the changes take in each of these three

'In the summer of 1969 I met Habash and Arafat separately, in the western hills of Jordan, where the various guerrilla groups had been encamped since the end of the 1967 War. They could not have been more different — in appearance, personality, education and intellectual orientation... If Habash can be described as a representative of the modern Palestinian intellectual-activist, Arafat was the very opposite. In many ways, he is a perfect example of the neo-patriarchal Arab personality, one which is neither completely traditional nor fully modern.'



Yasser Arafat, left, and George Habash.

of the Palestinians and probably of sparking a radical movement throughout the Arab world.

Arafat, by way of contrast, was in his late thirties, an architectural engineering graduate of Cairo University and once a successful contractor in Kuwait, with strong ties to the Muslim Brothers. He greeted me warmly, speaking, to my surprise, in Egyptian dialect. The meeting lasted about an hour, during which he discussed amiably on several subjects, giving only vague answers to the many questions I addressed to him. In the years that followed I came to know him quite well, well enough, at any rate, to have some idea of both his style of leadership and its effect on the outcome of the Palestinian struggle.

If Habash can be described as a representative of the modern Palestinian intellectual-activist, Arafat was the very opposite. In many ways, he is a perfect example of the neo-patriarchal Arab personality, one which is neither completely traditional nor fully modern. As a leader, Arafat embodies all the characteristics of the traditional father: expertise at ceremonial sociability, incompetence at dealing with technical and ideological issues, inability to delegate power and consistent arrogation to himself of functions he is not qualified to handle. This accounts for his grave failure in mobilising Palestinian talent and for the PLO's rapid reduction to an inefficient bureaucratic structure. In all his appointments, considerations of clan loyalty and blind obedience are more important than qualities of competence and effectiveness. This is partly why the PLO, like most Arab patriarchal regimes, could not face up to Israel's modern instrumental rationality. In the modern world, patriarchy, as a social system, is ultimately dysfunctional; and the only system more dysfunctional than patriarchy is neo-patriarchy.

In retrospect, it is difficult to understand not only how Arafat could have survived all the mistakes he kept on committing, but how he was never able to learn from these mistakes, as for example, the horrifying way in

which he rejected partition, but over a politically correct way of segregating the Palestinians within a framework that will preserve Israel's hegemony over all of Palestine.

If this is a correct description of the situation, and I think it is, then the central question is, what action can the Palestinians take to deal with it?

The Palestinians have three options: accepting the status quo, opposing the status quo, and engaging in long-term struggle against it.

The first option, which some Palestinians consider the most realistic, is based on the belief that the Oslo peace process offers the best chance to establish a foothold in Palestine, which could be transformed into a political entity that could in time become a state. This view is based on the experience of decolonisation, particularly in Tunisia, where acceptance of limited autonomy eventually led to independence, the dismantling of the colonial system, and the eventual repatriation of the settlers themselves. This view ignores the fact that in Palestine radically different conditions obtain. Above all, there is no mother country to which the Jewish settlers may one day be repatriated, and over time their settlements will only continue to increase and expand.

The second option is reformist opposition to the existing regime in the West Bank and Gaza. Its goal would be to reform the Palestinian Authority and expand Palestinian autonomy, along the lines being striven today by various groups and organisations in Palestinian civil society. In this reformist movement, the Palestinian Legislative Council, or at least certain members and groupings

within it, could play an important role: firstly, protecting those democratic structures that still exist in Palestinian political life, and secondly, preparing, when the time comes, for the orderly transfer of power and the replacement of the present patriarchal regime by a democracy.

The third and probably most important option — and the one likely to be central to the next phase of Palestine's history — is long-term national struggle to end the Israeli occupation of the West Bank and Gaza, restore Arab and Muslim Jerusalem, dismantle the Jewish settlements, and establish an independent Palestinian state alongside the state of Israel.

What form would this third option take? It would claim the right to all legitimate forms of struggle, from non-violent forms of resistance to classical forms of armed struggle. From a political point of view, however, non-violent struggle is probably the most effective in the long run. Yet, if the present conditions of repression and humiliation continue, wide-scale violence could well prove the more likely option. Choosing national struggle is bound to enhance uncontrollable individual acts of self-sacrifice, the ultimate power of the powerless.

Popular resistance, which is likely to bring back the Intifada, will simultaneously lead to building alliances and grassroots organisations, like the ones that emerged spontaneously in the early days of the original Intifada in 1987, and will be scuttled out by the PLO leadership in Tunisia. If this succeeds, by the turn of the century this new post-patriarchal liberation struggle will have regained the human face that characterised the first Intifada, and will have the support of progressive forces the world over, including progressive Jewish forces in Israel and the United States.

In the next phase of the struggle, a heavy responsibility will fall on the diaspora Palestinians, who form the largest single part of the Palestinian people. This group will have to put together the financial and administrative structures necessary to support the Palestinians in Israel, the West Bank and Gaza, and in the diaspora as well, in terms of economic aid, educational and social assistance and broad political support.

Today, as Meron Benvenisti reminds us, the population in the area of mandatory Palestine numbers 8.5 million, of whom 4.8 million are Jews and 3.4 million are Palestinians. Thus, despite massive Jewish immigration since the dissolution of the Soviet Union, the Palestinians still make up more than 40 per cent of the total population. Within the next ten to fifteen years, it is quite likely that the proportion of Palestinians to Jews will equal or even exceed the 50 per cent mark. The present confrontation between the two communities, alternating as it has over the past decades between violence and the search for a political solution, will necessarily shift to different grounds — it will be demographic and a cultural struggle. In the course of the next decade or so, as the Palestinians

strive to transcend their present difficulties and build an educated, healthy, prosperous and cohesive society in Palestine, intimately linked to the Palestinian diaspora, the present balance of power will not simply be transformed — it will have become irrelevant. This is why the region shifts, as it is bound to do, and when the United States' engagement in the Middle East begins to abate, as it inevitably will.

Netanyahu has rejected an American suggestion that Israel withdraw from some 13 per cent of the West Bank. The maximum he has said he is prepared to concede is 10 per cent. This is the road to peace and reconciliation that the Madrid international conference inaugurated with such lofty hopes seven years ago?

While Netanyahu is cynically telling the world that he is ready to negotiate a final peace with the Palestinians, at the same time he is declaring that a united Jerusalem will ever be Israel's capital, that most of the West Bank and Gaza will always remain under Israeli rule and that the Jewish settlements will never be dismantled but will continue to increase and expand.

The Palestinians will have peace and reconciliation with Israel when Israel complies with the international consensus and agrees to implement the UN resolutions on Palestine, when it abides by international law and begins to live up to its own commitments.

The writer is a Palestinian academic and a professor at Georgetown University.

The sum of two failures

Much of the criticism currently being leveled at the Oslo process might have seemed overly radical two or three years ago. Nevertheless, a strong current of criticism is being directed at the peace process framework today, emanating not only from some of traditional opposition, but also from a number of eminent political figures in the United States, such as James Baker, who engineered the Madrid negotiations in the early 1990s.

The signing and implementation of the Oslo Accords had several consequences, some of which, irrespective of intentions, were part of the price the Palestinian people paid in order to obtain a nucleus of Palestinian authority in Gaza and Jericho, and other areas later.

The first consequence is perhaps the loss of the common political denominator on which the unity of the Palestinian people was built — namely the aspiration of all Palestinians for independence and statehood. This unity was not even shaken by the Hamas movement, which operated outside the orbit of the PLO at the time. The common national aim was to establish an independent Palestinian state, embodied in the PLO as the legitimate representative of its people. The gravest error committed in that respect may have been the merger of the PLO with the nascent Palestinian Authority, which is governed from A to Z by the Oslo Accords.

In this sense, Israel managed to fragment the framework of the Palestinian national movement, creating a weakness in the Palestinian capacity to negotiate. The first two basic components of the national movement — the PLO leadership, set up as the Authority, and the public, with all its social and popular organisations — are now separated. This separation would be natural in a normal state, but it is odd in the Palestinian case, for the simple reason that it is being executed prior to the achievement of liberation and independence. It is taking place, furthermore, at a time when there is a dire need for the PLO as a unifying, not separating, force.

This is occurring while more than 91 per cent of the West Bank and Gaza remains under occupation, and in a way that makes most of the privileges of the Authority, including movement between the West Bank and Gaza, dependent on the prior approval of the Israeli authorities.

While this separation would be a Palestinian Authority, it took away the natural framework consisting in the leadership of a national movement. The Palestinian people were caught between their desire to participate in the limited self-government and their understanding that it was surrounded by a wall of occupation and continuous settlement expansion. The situation also fostered a widespread feeling that the time for reaping personal benefits was at hand. The overwhelming tendency of individuals to pursue personal interests has led to a collapse of the vision held by the struggle for a common cause. This quest for personal profit undermines the possibility of channeling the Palestinian population's potential to improve the balance of power, and therefore the framework of the negotiations. In addition, it has made the Palestinian leadership hostage to the idea that there is no alternative to the ongoing negotiations, although the most elementary principle of negotiating dictates the existence of an alternative; otherwise, the other party holds all the cards, and there is nothing to negotiate.

Those living inside Palestine are now separated from those residing in the Diaspora, furthering the rift. This rift was deepened by the accelerated regression of PLO's role and the deterioration of its Arab and international position. The nature of Palestinian decision-making was shifted entirely to the inside of Palestine. Ironically, the return of the Palestinian official leadership was supposed to trigger a consolidation movement for the purpose of building a future Palestinian state. In fact, it became a movement of separation for Palestinians residing in Europe and the US, who were never convinced by the peace process and who, by virtue of their geographical position, are less keen on accepting compromise.

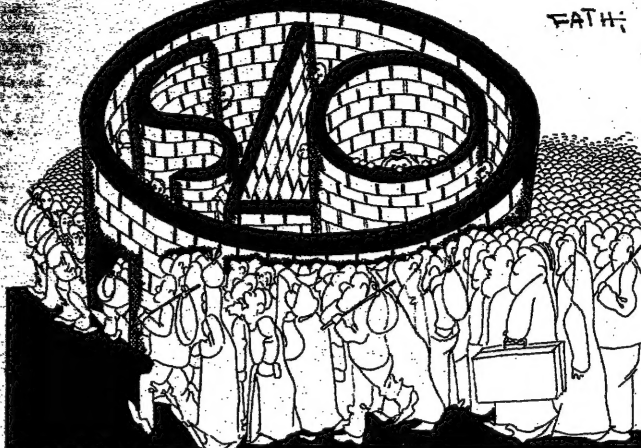
Meanwhile, the Palestinians in Lebanon, Syria and other Arab countries have also become increasingly disenchanted, feeling that the PLO has been too concerned with building the Palestinian Authority to tend to their important and perennial needs. They also feel bitter that their cause has been relegated to distant, uncertain "final-status negotiations" that are likely to last for years at the bargaining table.

Oslo has transformed the process from one of negotiation between the parties into a process where one party dictates terms to the other.

After Oslo, the Palestinians went to Tabah to move the Declaration of Principles from an agreement on paper to facts on the ground. They were taken aback by how well-organised Israel was in their own lack of preparation, and by the huge gap between their realistic thinking and the realities of Israeli intransigence, supported by power and excellent planning.

The Cairo-Oslo agreement, in other words, was the disastrous translation of an originally faulty idea into a reality which Israel tried to impose its own views on whatever matter was at hand. This was affirmed clearly after the signing of the final agreement. The negotiations were nothing more than dictations, shaped by the following factors.

The Palestinian-Israeli standoff, writes Mustafa Barghouti, is an official truce in the shadow of a very real struggle on the edge of an abyss. Oslo has only deepened the contradictions inherent in Israel's attempt to annex and occupy Palestinian land, while isolating itself from the Palestinians themselves; meanwhile, in the Occupied Territories, nationalist aspirations and political alienation are a powerful cocktail, just waiting to explode.



territory, to the demands of 400 illegal Israeli settlers.

It became clear after Oslo that the Israeli government is implementing six integrated steps aimed at sabotaging the material basis of establishing an independent Palestinian state:

SEPARATION OF WEST BANK AND GAZA: Since the signing of the agreement, movement between the West Bank and Gaza has been impossible for the Palestinians. Their movement is now controlled more strictly than at any time since the 1967 War. At first, freedom of movement was limited to about 180 Palestinian Authority officials (designated as VIPs); even these were classified into different categories, to the extent that ministers and members of the PLO Executive Committee need an Israeli permit to travel between the two areas during stages imposed by Israel.

The consequences of this discrimination are clear. It is still more important, however, to focus on the real motives for separating the two areas. This separation cannot be attributed to simple security concerns, since the Israeli government allows thousands of Palestinian labourers from the West Bank and Gaza to work in Israel every day while prohibiting all but a few of them from moving between the West Bank and Gaza.

This separation precludes the establishment of any unified national administration for the two areas, and prevents economic integration. It has actually led, in the past three years, to the breakdown of many of the social, economic and political organisational frameworks built by Palestinian professional and political organisations during the occupation.

In addition, the unified educational structure has been broken down. There are almost no students or

has limited the area of construction to only four per cent of the total area of east Jerusalem. After preventing the Palestinians from obtaining construction permits, the Israeli authorities pushed them toward the outskirts of the city (Al-Ham, Bethlehem and other suburbs), in order to classify them as non-residents of Jerusalem. The Israeli authorities then withdrew their Jerusalem identity cards and prevented them from maintaining their rights as Jerusalem residents.

Families that have inhabited Jerusalem for hundreds of years are now considered guests of the Israeli government; the mere right to reside can be withdrawn from them at any time. Meanwhile, any settler from Sderot or New York has the right to citizenship and residency in Israel, the West Bank, Gaza or Jerusalem.

In recent years, Israel has built 60,000 housing units for Jews in Jerusalem and none for the Arabs. A total of 38,500 Jewish housing units have been built so far on land confiscated from Arabs.

EXPANSION OF SETTLEMENTS: Since the signing of the Oslo Accords, Israel has confiscated 600,000 dunams in the West Bank. The Israeli group Peace Now, however, states that the Labour government confiscated 277,000 dunams after Oslo.

Ironically, no more than 170,000 dunams were granted to the Palestinian Authority. During the same period, the population increase in the settlements of the West Bank reached 45 per cent, with 60 per cent in the Gaza Strip settlements.

The bypass highways and the expansion of settlements in Jebel Abu Ghneim, Efrat and Ras Al-Amud are all expressions of a process which aims to change the demographic and political nature of the West Bank; reversing it from Palestinian land

Currently, the Palestinian government employs 106,000 people; 25 per cent of the entire Palestinian workforce. This will lead to economic disaster, given the fact that definite pledges of international financial aid are tending to decrease. At a recent conference, donor countries refused to pledge definite financial aid beyond the year 1998. In addition, a great portion of the income of the Palestinian Authority passes through Israel through such mechanisms as Value Added Tax and taxation on workers. The Israeli government does not miss an opportunity to use these channels as a means of political pressure.

THE PA'S SECURITY AGENT: The efforts of the Israeli government after Oslo have been directed consistently at severing the Palestinian national struggle from its main goal: the Palestinian right to self-determination and independence. A common Israeli practice, when negotiations have faced an impasse, has been to try to steer the discussions towards side issues such as the airport or the seaport.

The Israeli method in negotiations has been to exploit weaknesses in the Palestinian side, thus substituting the interests of certain groups for national aspirations. To apply pressure on the PLO, the Israeli government used the threat of an alternative leadership. The Israeli military dealt with and encouraged the Islamist movement (including Hamas) in the 1980s, hoping to establish a leadership structure that would weaken the PLO. The Israeli side aimed at extracting basic concessions from the PLO for accepting it as a partner in the negotiations and for shelving the idea of a substitute leadership.

The Palestinian attempts to use interim gains as a basis for the resumption of national aims is understandable, but it is not possible to accept a sit-

fect of closure must be taken into account. In the past, people, vehicles and goods moved freely in the West Bank and Gaza. With the start of the negotiations, the Israelis gradually began to accelerate the process of separation which has culminated in the present division. This division hampers economic activities, humanitarian services such as health education, and the possibility of creating coherent and effective private and public management systems.

The Israeli government continues to issue military decrees, the last of which was issued on 4 September 1997 by the so-called "Israeli military governor of the West Bank", forbidding any person from entering areas B and C before obtaining a permit. This means that residents of Palestinian cities in zone A (representing three per cent of the West Bank area and 27 per cent of the population) cannot go to the 500 villages in Zones B and C without Israeli military permits. Israel continues to rule the area by military decree in spite of the PA and the Oslo Accords.

In addition, the Israeli government wants to keep a security zone 10-20km wide along the Jordan River, and another security zone 5-10km wide along the Green Line. This is in addition to their intention to keep the settlements, and the area between the West Bank mountains and the Jordan valley, and all the region's water resources under its control. In other words, the Israeli government's explicit policy is to annex 60-70 per cent of the land to maintain control over all natural resources.

On the other hand, Israel faces a serious demographic crisis, with 4.6 million Jews and four million Palestinians. The separation between the West Bank and Gaza, where about one million more Palestinians live, makes it easy to suspect that the West Bank could be linked to Jordan with its inhabitants as citizens, but devoid of sovereignty.

Since Netanyahu was elected, this new situation has been the status quo. The peace process is paralysed. The present equilibrium can be viewed as a product of the failure of both parties. Israel failed to expel the Palestinians from the West Bank. The Palestinians failed to achieve national independence and are forced to deal with Israeli hegemony backed by the US.

On the other hand, Israel faces a serious demographic crisis, with 4.6 million Jews and four million Palestinians living in historic Palestine. The Jewish population growth rate is currently 1.7 per cent, while the Palestinian population is growing at a rate of 4.2 per cent. The implications are obvious. It will take 16-17 years for the Palestinians to become the majority.

In Jerusalem and in Palestine, the facts on the ground clearly illustrate the evolution of a policy of racial separation — one based on religion rather than on colour. Palestinians in Jerusalem pay 26 per cent of the city taxes and receive only five per cent of municipal services. The average Palestinian consumes between 90 and 150 cubic metres of water monthly, while the average Jew consumes 1,150. For the average settler in the West Bank and Gaza, consumption is 1,450 cubic metres annually.

In the Gaza Strip, 5,000 settlers control 40 per cent of the land, while the Palestinian population is 900,000. Israeli settlers control 33 per cent of the productive agricultural land in Gaza Strip. On average, each Israeli settler has 2,300 square metres of land, as against 24 square metres for Palestinian citizens. Hence, the expenditure per person in the West Bank is \$120 annually; for Israel, it is more than \$500.

While Israeli policy aims to destroy the material basis of an independent Palestinian state, it is economically appealing as a controlling mechanism. As it tries to negate the future Palestinian state, it is negating the possibility of its justification as an exclusive Jewish state. In the worst case scenario, if the Israeli government succeeds in avoiding a two-state solution, one state for two peoples will exist, implying longer periods of suffering and violence for both peoples in the decades to come.

The segregation of Palestinians will clash with the reality of one million Palestinians living in Israel proper and holding full Israeli citizenship. Social segregation carries the seeds of annihilation or the fragmentation of Israel.

Israel is trying to join two opposites: the separation of the Israeli and Palestinian societies, and annexation of most of the Occupied Territories. The Palestinians suffer from what could be termed "collective schizophrenia" in that they are torn between their form an independent Palestinian entity, yet 67 per cent of the population is under total Israeli military occupation in villages, towns and refugee camps. They all suffer from social and economic segregation. This self-reinforcing mechanism is strengthening localist, sectarian and tribal tendencies. Economic decline forces extinction.

In general, the process is a prescription for catastrophe. Temporary and daily issues overwhelm diplomacy at a time when strategic planning takes a back seat to the pressure of getting things done. The Palestinian-Israeli situation has no official trace in the shadow of an actual struggle on the edge of an abyss. The Palestinian Authority is fettered by a useless process paralysing the capacity to change the balance of power. At the other end stands Hamas, highly active, pragmatic and dedicated, preparing for what might come. Meanwhile, a substantial portion of the Palestinian public is searching for a democratic alternative that has not yet materialised. The vacuum has deepened the public's alienation from political activity. Who will end the impasse?

The writer is head of the Palestinian Medical Relief Committee and a leading member of the Palestinian People's Party.

'The Palestinian Authority is fettered by a useless process paralysing the capacity to change the balance of power. At the other end stands Hamas, highly active, pragmatic and dedicated, preparing for what might come. Meanwhile, a substantial portion of the Palestinian public is searching for a democratic alternative that has not yet materialised. The vacuum has deepened the public's alienation from political activity. Who will end the impasse?'

professors from Gaza in the universities of the West Bank. The few who remain are there "illegally" — separated from their families and at all times under risk of arrest and forced transfer back to Gaza.

Instead of creating an atmosphere conducive to the building of a Palestinian entity, the Oslo Accords have reversed the positive signs that had already been completed. In the meantime, regional localist tendencies have been strengthened among the inhabitants of the West Bank and Gaza.

Israeli insistence on separation may be attributed to the belief that the Palestinian Authority's political control of the population would be facilitated if freedom of movement is limited to certain individuals from within the Authority itself. Another Israeli aim is to keep open the option of isolating the Palestinian Authority in the Gaza Strip, separating its political future from the West Bank in a final solution. Israel has no interest in keeping 900,000 Palestinians in an area of 360 square kilometres.

Finally, Israel seeks to keep the door open for the possibility of the so-called "Jordanian option", in which Israel will annex the West Bank while its Palestinian inhabitants become the second-class citizens of another country.

SEPARATION OF JERUSALEM: After every suicide attack against Israel, through a calculated programme of cumulative steps, has tried to isolate Jerusalem from the West Bank. It is well known that Jerusalem is the southern area of the vestments. The bureaucracy is inflated, the number of employees in the different security apparatuses exaggerated. This process, in turn, necessitates a further increase in taxation, and creates a vicious circle of failure and impoverishment.

with pockets of Israeli settlement to Israeli land with pockets of Arab inhabitants. The same policy was implemented in Galilee after 1948.

ECONOMIC SIEGE: Initially, it appeared that the Oslo Accords would be accompanied by an organised drive to improve living conditions in the West Bank and Gaza. Yet the World Bank and other financial institutions state that the gross national product in the West Bank and Gaza declined by 18 per cent between 1992 and 1996, while per capita purchasing power has declined by 35 per cent. The average annual per capita income of the Palestinians is between \$1,200 and \$1,400, as against \$17,000 in Israel. Israel has granted the West Bank and Gaza continue to damage the Palestinian economy.

The West Bank and Gaza have been closed militarily for a total of 338 days since the signing of the Oslo Accords. Conservative estimates place the economic loss resulting from the closure at \$6 million a day. The total loss in this case (\$1,800 million) exceeds the total amount of international aid given to the Palestinians between the signing of the Oslo Accords and the end of 1997 (\$1,500 million). Nor is this the only problem. The Paris Agreement enforces the economic dependency of the West Bank and Gaza on Israel and grants the latter the upper hand in banking and taxation.

The situation is complicated further by the high level of taxation imposed by the Palestinian Authority, which alienates capital and blunts its given to the Palestinians between the signing of the Oslo Accords and the end of 1997 (\$1,500 million). Nor is this the only problem. The Paris Agreement enforces the economic dependency of the West Bank and Gaza on Israel and grants the latter the upper hand in banking and taxation.

tion in which partial and tactical aims are achieved at the expense of strategic goals. What is the use of an airport or a seaport if its control remains in the hands of the Israeli police, as is the case on the bridges and at checkpoints?

The ambiguity of the Palestinian situation is due to the fact that we entered a new stage before emerging from the old one. We did not move from occupation to liberation and independence. We entered a stage called "limited self-government" without the consent of the international community. This new stage imposed numerous internal contradictions within the continuing contradictions inherent in the occupation.

The security pressures Israel is exerting on the PA are the greatest danger facing democracy in Palestine. On one hand, Israel pressures the PA to make arbitrary arrests, weaken the role of the judiciary, enforce the paradigm of the State Security Court and shut down institutions without any legal justification. On the other, it seeks to denigrate the Palestinian Authority and the Palestinian people by encouraging human rights violations and the absence of clear laws, to enforce the myth that Israel is the only viable democracy in the Middle East.

BANTANISATION: Perhaps the most dangerous Israeli policy is the partitioning of Palestinian territory into separate cantons, following the model applied in South Africa under apartheid. In Palestine, it has produced four separate cantons: the Gaza Strip, Jerusalem, the southern area of the West Bank, including Bethlehem and Hebron; and the centre and northern part of the West Bank. During periods of closure, it is impossible to move from one area to another. Villages and towns are also very difficult. The cumulative ef-

Al-Ahram Weekly

Two nations, two tragedies

Israel has just completed a string of celebrations marking the 50th anniversary of its creation according to the Jewish calendar. The event was supposedly a golden jubilee, but there was no sign of gold anywhere. Israel came into existence by war in 1948; today, it is almost as torn, from within and without, as when David Ben Gurion declared its birth. This is despite Israel's conclusion of peace treaties with Egypt and Jordan — two formal, officially binding documents that lack even the echo of a heartbeat.

Israel, with US help, has developed one of the Middle East's mightiest military machines. Yet the Israelis, in negotiating minute details of military redeployment in the West Bank under the Oslo Accords, can only speak of Israeli security. This is an expedient defence mechanism — and a characteristic tactic of Israeli propaganda.

The prime importance of security in Israel goes hand in hand with an equally strident discourse involving national identity. The question of who is a Jew still has not been fully resolved by Israel's clerics. One of many polls conducted in recent weeks showed that 34 per cent of those polled said they were Jews, 35 per cent said they were Israelis and most of the rest said they were Jews and Israelis. The irony of it is that Jewishness should have been the unifying rather than the divisive factor in Israel. Torn apart from within, propped up from without, Israel continues to wreak destruction like a nuclear blip in the proverbial china shop.

Former Prime Minister Shimon Peres has chosen this particular anniversary to obstruct the plans Netanyahu has for the Palestinians. After a meeting with Yasser Arafat, Peres said that a Palestinian state was needed if Israel was to remain a Jewish state. "The emergence of a Palestinian state is desirable because otherwise we will have a bi-national state which will turn into a bi-national tragedy," Peres said.

Fifty years have served only to increase the torment and agony the Israelis have inflicted upon the Palestinians — and, more ironically, upon themselves. The jailer is never free; has it taken half a century to learn this lesson?

Facing an illogical challenge

As Netanyahu orchestrates his campaign to bury the peace process we can only hope, for the sake of the region and Israel, that he fails, writes
Ibrahim Nafie



not only its own interests and those of the region but the interests of Israel.

The US is a full partner in the peace process. Indeed, it is the exclusive benefactor of a process committed to a comprehensive settlement of the Arab-Israeli conflict.

The US has been committed to this role since 1991. It did not face any problems from Israel in this regard during the Rabin/Peres government. It was only with Clinton's second term in office that Washington began to pull out of the Israeli-Palestinian peace process, leaving the two parties to manage it alone. In doing so it compromised its responsibilities as an honest broker, cheating on an American land, a campaign directed against the American president.

The answer lies with Clinton and his administration. In the words of Ron Peres, an Israeli academic and an architect of the Oslo Accord, the future of the peace process is now

in Clinton's hands. He can push the peace process forward or hear a part of the responsibility for its demise.

Several factors point to the illogicality of any retreat by Clinton and US administration officials have been quick to state that failing to salvage the peace process will harm Israeli security, openly contradicting Netanyahu. They also feel it would undermine America's credibility with its Arab friends and weaken its ability to advance the peace process.

There are many precedents for American presidents acting to deter Israel from adopting positions harmful to US national interests, something recently underlined by Robert Pelletreau, the former undersecretary of state for Middle East affairs who, in a speech, recalled the position adopted by Eisenhower in 1956, when he insisted on full Israeli, British and French withdrawal from Egyptian territory. Nixon's position on troop disengagement following the October War in 1973 and Bush's stand on settlement expansion in 1989.

Clinton's position vis-à-vis Netanyahu is not as weak as his disinclination to respond to the campaign of defiance implies. Puts in the US reveal that Clinton has entered a conventional support pressuring Netanyahu, now viewed as the main obstacle to peace.

The fate of the peace process — the only alternative to which is a state of tension, instability and violence — depends on Clinton's resolve. In this regard let me borrow from the words of an American official who said that if Netanyahu has entered a conventional support pressuring Netanyahu, now viewed as the main obstacle to peace, Clinton comes out the winner.

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Al-Ahram Offices

Main office
Al-Ahram, 1000, El-Dokki, Cairo
Telephone: (202) 7750201-7750202 Fax: (202) 7750203
Telex: 330404 Al-Ahram CAIRO
E-mail: weekly@ahram.org.eg

Overseas offices

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Globalism and internationalism

This week Paris is hosting a meeting to mark the 150th anniversary of the Communist Manifesto. Mohamed Sid-Ahmed discusses the significance of the event.

Starting yesterday, and for the next four days, a meeting is being held in Paris to commemorate the publication, 150 years ago of the Communist Manifesto by Marx and Engels. Marxists and non-Marxists from all over the world have converged on Paris to take part in what promises to be a highly charged debate, as they address the question of whether Marxist thinking is still relevant today and, as a mode of thought which played a central role in shaping the twentieth century, what impact it can have on the coming century.

The meeting is expected to be very critical with regard to given tenets of Marxist thinking, in the light of the breakdown of communist regimes after the collapse of the Soviet Union and the demise of the Socialist camp, although neither Marx nor Engels can be held responsible, a century and a half after their death, for the way ideas attributed to them were implemented.

Indeed, Marx made a great warning, shortly before his death, that Marxism is a mode of thinking, not a dogma, and that is probably what he meant by his essential utterance: "I am not a Marxist!"

The Communist Manifesto is the statement which was issued by Marx and Engels in 1848 at a time when revolution was sweeping all over Europe. The Manifesto was, in condensed form, an expression of the basic tenets of Marxist thinking. Its essential theme was that history, in the final analysis, the product of class struggle, and that one class in particular, the proletariat, has a historical role to play. From the viewpoint of Marxism, class carries within its struggle the vehicle for the future, the necessary prerequisites for the emancipation of

all humankind. In other words, Marxism makes humankind as a whole its basic frame of reference. If given classes are to be overthrown through the unfolding of class struggle, it is not in terms of a sectarian view, but on the contrary, in the name of the whole of humankind, from a stand that is fundamentally internationalist, as a precondition for overcoming class struggle itself.

Today, an entirely different school of thought has emerged that also makes the globe as a whole its basic frame of reference. The idea, which has come to be described as globalism, rapidly gained ground in the aftermath of the collapse of the Soviet Union, the breakdown of the socialist camp and the end of the "bipolar world order", which was based on the mutually exclusive relationship between two superpowers. Following the implosion of one of these superpowers, it is legitimate to assume that international relations need no longer be built on a system of mutual exclusiveness. A globalist viewpoint can finally emerge, no longer hindered by the relentless march of the major contradictions which marked much of the twentieth century.

It is interesting to note that, in contrast to internationalism and globalism both proceed from the same assumption, namely, that the frame of reference in today's world must be the human community as a whole, the two outlooks are otherwise at complete antipodes. For Marxism, the basic point of departure was the working class or working class. For globalism, it is the multinational, the webs and networks woven by world finance, which are perceived as the driving force of present-day societies.

Marx tried to emancipate man from being transformed into a commodity. Today, we are living the age of all-out "commodification", of the transformation of every value, ethical, moral, aesthetic, artistic, literary, including human beings themselves, into exchange value, into commodities.

According to Marxist theory, the wage of a worker does not represent his share in the value of the commodity he helps produce, but is the cost, rather, of the ingredients (housing, clothing, shelter, etc) he needs to ensure the renewal and perpetuation of his capacities as a worker. The difference between this cost and the value of the commodity produced is what Marx termed surplus value, which is appropriated by the capitalist and stands at the very root of capitalist exploitation. Use capitalism, the worker is a commodity like any other ingredient purchased by the capitalist to produce a given product. The emancipation of the working class assumes the restoration by the workers of their status as humans after years of being treated as commodities.

Globalism tends, on the contrary, to generalise the process of "commodification", not to suppress or curb it. By "commodification", we mean that value is determined exclusively in terms of its exchange value, of the value of the commodity in terms of supply and demand. The exchange value of any product becomes the basic criterion for the measurement of value, for the price of things. According to this logic, weapons have value because there is a market for weapons, even if the modern tools of bombing and weapons of mass destruction. Dyes

have value, because there is always a demand for dyes, if only because there will always be a market of addicts. A great scientific discovery, the proof of a mathematical theorem, any outstanding accomplishment of creative thinking, can remain without value because it is not apparently attractive or meaningful for the wide public.

On the other hand, problems have come up concerning the ability of the working class to act, globally, as one coherent force. While the mechanism of exploitation was exposed by Marx in a very insightful manner, the fact remains that in the modern world a given individual can be both exploiter and exploited at one and the same time, as owner of property on the one hand, and as a worker generating surplus value for a capitalist enterprise on the other. Moreover, discrepancies between the standards of living of the working classes of different countries increase as societies develop at different rates. Indeed, a worker in the US or Japan may enjoy a higher standard of living than a capitalist in many developing societies. How can the working class operate as an international class in such an environment?

These are the types of problems which need to be raised at the Paris meeting. But the underlying issue will be whether the downfall of communist regimes marked the end of the Left as an approach to the problems of humankind or only the end of given schools of Leftist thinking, and whether these can be replaced by others which are better equipped to tackle the increasingly complex problems of the modern world — problems which the Right has also been unable to resolve.

Nothing to celebrate

By Naguib Mahfouz

I wish the Israeli government, on the occasion of its 50th anniversary, had given its people the gift of true peace. Without peace, there is little to celebrate. Achieving a safe and secure home for the Jews, allegedly the raison d'être of Israel itself, is impossible without peace. In the absence of peace, therefore, nothing has been achieved. If, after fifty years, Israel is still at war with its neighbours, and above all with the Palestinians, in its midst, how has the state helped the Jews?

It was thought that security, stability and normal relations could be achieved through peace alone. But Netanyahu's goal is not peace. How can security survive without peace? France and Germany during the first World War illustrate the fact that it is impossible to enjoy full security at the expense of another party. International relations, in situations like these, use time bombs that can explode at any instant.

Israel today is celebrating a victory it has not won. Peace is further away than it has been at any moment in its past few years. Israel is on a dangerous slope — so why is it celebrating?

Based on an interview by Mohamed Salimawy.

To The Editor

Web time

Sir, As a journalist and a regular reader of the Weekly, I'm extremely surprised that neither your valuable publication nor any one else in Al-Ahram group, particularly the daily paper, has a Web site. It is no longer a luxury, if much smaller papers, magazines, TV and radio stations in the Arab world let alone other parts of the world, now have great Web sites. Al-Ahram should have had its own for some time now. I look forward to seeing all of Al-Ahram's publications on the Web soonest.

Babaa El-Khosy
e-mail: medkash@egypt.net

Jingle all the way

Sir, I have been sickened by the jangle of TV jingles, the waves of bribery and corruption, luring young or uneducated consumers to buy advertised products in a gamble to win prizes of up to 25 piastres — a million prizes in consumer goods and children's toys. Advertisers have even lured in young adults, from toddlers to teenagers to adults, by paying them considerable sums to play the part of the Pied Piper in these TV commercials.

In accepting this, parents are allowing advertisers to educate their offspring in bribery and corruption in their adult lives, thus leading them up the garden path to criminality and decadence by goading them to sit back and wait for lady luck to hand them a prize they have worked for. The possible depraving aftermath may be their having to go forth, begging bowl

in hand, or, worse, to pursue immoral means for bread and butter.

The advertisers' mental TV jingles ignore the basic ABC's of genuine salesmanship, which is to focus on, pinpoint and display the qualities of the product advertised. Rather, they choose the sneaky way to wipe out any morality in the naive consumer, brainwashing him with the bribe of that "extra" monetary or material gain from the purchase of the products.

Are parents going to sit back and wait for that to happen, or will they stand up, call for censorship of advertisements offering money or prizes as a lure, and put immoral advertising behind bars?

Mona Shaheen
Zamalek

Glass houses

Sir, These days, the Egyptian media talk about nothing but the American bill proposed by some senators in the US congress. This law discusses religious discrimination against minorities in some countries among which is Egypt. The bill includes some disciplinary actions against these countries, possibly some kind of embargo.

The law claims that the Christians are ill-treated in Egypt, and that they are under severe discrimination. The idea was brought up mainly by some Egyptian Christians, who were Egyptians but they migrated to America. Some of them were invited to conferences organised by the Republican and the Democratic parties. In one of these conferences, a young Egyptian Christian woman said: "They look at me with disdain in Egypt. The way they look at the cross I wear shows

that." This young woman has only been to Egypt a few times, for a few days. However, her kind of mysterious motivation encouraged her to say that.

The Foreign Ministry declares every day that this campaign against Egypt, at the current time, and in such critical circumstances, is due to the Egyptian position on the Middle East peace process.

Before the Islamic conquest of Egypt in 644AD, the Muslims were ordered by the Prophet Muhammad to protect the Copts of Egypt and defend them because they were the nearest religious tradition to Islam. The Prophet married an Egyptian Copt.

In the 1973 War, the Coptic soldiers fasted with the Egyptian soldiers. The Israeli bullets did not differentiate between a Muslim and a Copt.

To what extent do Egyptians abroad grasp these facts? It might be ridiculous to claim that there is no fanaticism in Egypt, like trying to claim that we all live in utopia. When Mustafa Mahdi wrote in Al-Ahram an article entitled "American civilisation", where he distinguished between Christianity in Europe and in Egypt, some Copts sent him letters congratulating him. Moreover, Pope Shenouda III did not let the Egyptian Copts to visit Jerusalem because it is still an occupied land, as the Sheikh of Al-Azhar does not allow the Muslims to do so.

Perhaps the best thing that can be said to those who seek to cause us problems is: "Judge not, that ye may not be judged."

Kotatza Attallah
Engineering student
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All readers' contributions and comments should be addressed to The Editor. E-mail: weekly@ahram.org.eg; Fax: +202 576 0089

شكر الله تعالى

Close up

Salama A. Salama

Over at last

From the start, it was clear to everybody that Netanyahu had his mind set on seeing the peace talks go up in flames and on postponing whatever remained of the Oslo Accords. The British and Americans have played the charade of laying siege to Netanyahu and pressuring him to accept the greatly diluted US proposals for a very modest withdrawal from the West Bank — a simplistic ploy, at best. Netanyahu merely responded by refusing to go to Washington. While Arafat's plan was to accept any US initiative, regardless of the compromises entailed, as a means to pit the US administration against Netanyahu and his extremist government, Netanyahu is confident that his allies within the US administration or in Congress — Dennis Ross or Newt Gingrich, for instance — who helped him in the past, would allow him to weather unscathed any feud with Albright or Clinton, by stirring up opposition to the administration.

The US government seems to have no plan for addressing Netanyahu's defiance of US mediation or for pushing forward the peace process. Whatever Arafat has failed to achieve through negotiations and compromises, the US has failed to accomplish through its continuous flattery and appeasement of Israel and its clear and open assertion of pro-Tel Aviv bias. The US, however, is being accused by the Israeli prime minister of humiliating his country because Mrs Clinton, in an address broadcast to schoolchildren and not an official statement, expressed her support for the establishment of a Palestinian state. Such a statement, she said, would be capable of addressing the economic, educational and health needs of the Palestinian people and fostering stability in the Middle East. Her words provoked an immediate clamour among Israel's supporters in Congress.

Israel rejected these resolutions when they were passed, and Netanyahu rejected them again when he came to power. Only recently, however, he declared that his government would implement the resolution on its 20th anniversary. The increasing death toll which Israel forces had suffered in southern Lebanon was the motive for his acceptance of the resolution. It matters little, according to this logic, that Israel has used the most brutal forms of repression, cruelty and torture in sealing its hold on the south. Gaps in the balance of power could always be compensated by reinforcing the balance of terror.

In the past decade, however, the Lebanese resistance has dealt a number of deadly blows to the two fronts headed by Antoine Lahad, killing a number of his best men, reducing this front and depleting its combat power. As a result, Israel had to reinforce its forces in southern Lebanon. Soon, however, Israel is in a very unstable quagmire, and was having to pay an exorbitant price in terms of daily attacks against its forces. It was therefore compelled to introduce a total change in its policy. Instead of maintaining lead through its agents,

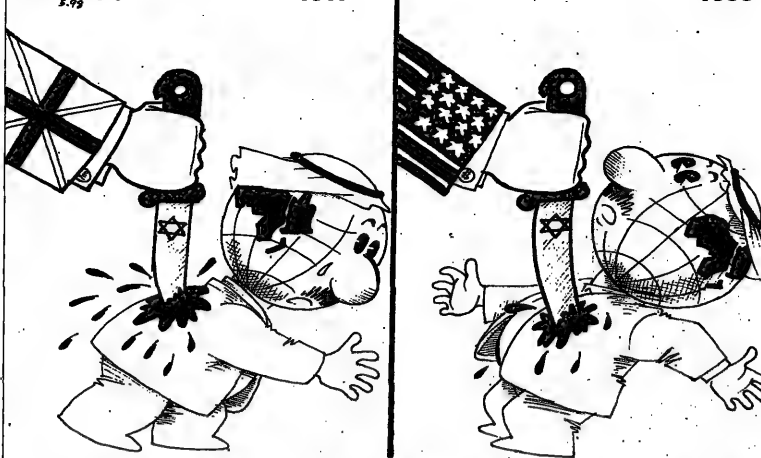
specifically the South Lebanese Army, it found itself in direct confrontation. Israel was unable to impose a fait accompli on the ground and suffered a series of defeats without any real gain. The casualties and deaths among Israelis in southern Lebanon may be briefly reviewed as follows: three soldiers in 1989, seven in 1990, 10 in 1991, 20 in 1992, etc. The average number of deaths was 30 in 1992-96. Last year was considered a "black year", not because Netanyahu came to power or because the peace process was stalled, but because of the escalation of military operations against the Israeli forces. Two helicopters collided and crashed over southern Lebanon, killing 73. To cover up the incident, the Israeli army staged a failed attempt at parachuting troops over the sea, but the Israelis were ambushed and 120 were left dead; 34 Israelis were killed in attacks by guerrillas, and five by "friendly fire". At the site of the helicopter crash, dozens of coffins were laid in rows. The relatives of the deceased and Israeli servicemen were there, calling for withdrawal from southern Lebanon; but they received from their prime minister only the threat that, "if we withdraw from here, they will follow us into the villages of Galilee." The Israeli prime minister was relying on his supremacy in the balance of power, but he himself was the element which distorted the balance of terror and thus inadvertently established a new political reality on the ground.

As proof of the far-reaching effect of the terror factor, we should recall the events which took place fifty years ago when the Irgun and Stern gangs executed "Pit Dole". The plan was designed to capture positions and villages located on the Tel Aviv-Jerusalem axis; the massacre of Yaffa Yassin was implemented between daylight and 3:30pm on 9 April 1949. On that day, men and women were raped and killed and children were slaughtered, leaving 2,540 dead and the village utterly ravaged. Yigal Allon, the Israeli military commander, justified the carnage as follows: "We saw the need to cleanse Galilee of its Arab inhabitants in order to build in this area a Jewish region. Our persistence was based on the fact that tens of thousands of Arabs to flee, and our plan proved amazingly successful." This is but one of many indications of how useful terror has been to the Zionists.

Coma

1917

1998



Time is on our side

Lebanon should not meet Netanyahu's overtures just yet, writes Amin Hewedy. What harm will waiting do?

Having spent a few days in Lebanon, I noticed that many Lebanese are preoccupied by two issues. One is the mounting dispute between the members of the ruling trika, which is being addressed in typically Lebanese style: by moving beyond the crisis and depositing it on the shoulders of a new president. The second issue of public interest is the Israeli prime minister's decision to implement Security Council resolutions 425 (twenty years after it was issued, and after it has been rejected repeatedly by various Israeli governments) and 426 (which creates the mechanisms for the implementation of Resolution 425).

Security Council Resolution 425 was issued one day after Israel had invaded Lebanon. The resolution recognises the territorial integrity, sovereignty and independence of Lebanon within its internationally recognised borders. The decision calls for the withdrawal of Israeli troops without delay, and the deployment of UN forces to monitor Israeli withdrawal and ensure the return of the legitimate Lebanese government. The same day, Resolution 426 was passed as a mechanism for the implementation of Resolution 425. It describes the UN forces' role as a temporary arrangement, lasting only until the Lebanese government is able to re-establish full control over southern Lebanon.

Israel rejected these resolutions when they were passed, and Netanyahu rejected them again when he came to power. Only recently, however, he declared that his government would implement the resolution on its 20th anniversary. The increasing death toll which Israel forces had suffered in southern Lebanon was the motive for his acceptance of the resolution. It matters little, according to this logic, that Israel has used the most brutal forms of repression, cruelty and torture in sealing its hold on the south. Gaps in the balance of power could always be compensated by reinforcing the balance of terror.

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specifically the South Lebanese Army, it found itself in direct confrontation. Israel was unable to impose a fait accompli on the ground and suffered a series of defeats without any real gain. The casualties and deaths among Israelis in southern Lebanon may be briefly reviewed as follows: three soldiers in 1989, seven in 1990, 10 in 1991, 20 in 1992, etc. The average number of deaths was 30 in 1992-96. Last year was considered a "black year", not because Netanyahu came to power or because the peace process was stalled, but because of the escalation of military operations against the Israeli forces. Two helicopters collided and crashed over southern Lebanon, killing 73. To cover up the incident, the Israeli army staged a failed attempt at parachuting troops over the sea, but the Israelis were ambushed and 120 were left dead; 34 Israelis were killed in attacks by guerrillas, and five by "friendly fire". At the site of the helicopter crash, dozens of coffins were laid in rows. The relatives of the deceased and Israeli servicemen were there, calling for withdrawal from southern Lebanon; but they received from their prime minister only the threat that, "if we withdraw from here, they will follow us into the villages of Galilee." The Israeli prime minister was relying on his supremacy in the balance of power, but he himself was the element which distorted the balance of terror and thus inadvertently established a new political reality on the ground.

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Lebanon must provide the situation calmly. Netanyahu is losing ground fast, both in southern Lebanon and at home. Lebanon must not accelerate the process that would be in its interest. It can let him suffer, or let him pack up and go. The Russian strategy of laying waste all around the armies as they moved forward checked Napoleon's advance in the 19th century; it may inspire the Lebanese government to adopt the "quagmire strategy" at the close of the 20th century.

Resolution 425 clearly defines three parties and their respective roles. Lebanon must recover its land, and return to the status quo of 23 March 1949, when the truce was signed at Ras Al-Naqurah. Israel must cease all military operations immediately and withdraw from all Lebanese territory immediately. The UN should monitor the implementation of Resolution 425, and work out a timetable for the handing over of the land. It should also notify the Security Council when withdrawal is complete, and apprise it of the steps it has taken to assist the Lebanese government in re-establishing its full legal control of the land and in rehabilitating the region destroyed by Israel during the occupation.

Israel's withdrawal peacefully, it will help build the confidence needed to solve the remaining issues in suspense. But if it does not, it will become further entangled in the problems it has created.

Israel is responsible for the security of its northern borders, or it will have to pay its security bill to Lebanon, just as the British and the American forces are paid by the Gulf countries for their security services. Israel is unable to handle its security within its own borders; even the assassination of Rabin could not be prevented.

A general amnesty must be issued by the Lebanese government to release the Lebanese Army. Hizballah must put forth this proposal; those who choose not to seek amnesty can always seek the protection of Israel.

The demilitarisation of Hizballah may not be necessary, since it has already pledged to stop all operations after the withdrawal of Israel, and to become a political party which would seek to increase its present 10 seats in parliament by participating in democratic elections.

The issues which are not covered by the resolutions can be addressed by ensuring regional stability: in other words, by the creation of a new Middle East.

The writer is a former minister of defence and chief of general intelligence.

Soapbox

Global distribution

High on the agenda of the G-15 summit in Cairo this week was the formulation of a strategy of defence against the negative effects of the processes of globalisation — including, in particular, turbulence in financial and currency markets and the short-term movements of capital — in light of the lessons drawn from the financial crisis in East Asia.

Such a strategy involves the formulation of common economic policies and positions to counteract the marginalisation of the developing world. The final communiqué of the G-15 summit is to include a message to the G-7 summit calling for a greater balance between the interests of developing and developed countries. A "global" economic system cannot be built on a basis of the interests and political will of the developed world alone.

The G-15 needs, moreover, to encourage interaction among its member countries. The countries of the South must resurrect "the spirit of Bandung" to navigate the turbulent waters of the global economy, within the scope of available choices, and guarantee that globalisation will not be in the interest of the developed countries alone.

A new "historic bloc", including the G-15 plus China, can act to restore the spirit of Bandung. The historical conditions are very different, but the theme is still to create a more balanced and just global economic order, one not exclusively managed by giant superpowers, states and international organisations. Without a fair system of distribution, globalisation on the big players' terms will lead only to chaos.

The writer is a professor of economics at the American University in Cairo.



Mahmoud Abdel-Fadil

Reflections by Hani Shukrallah

Now you don't

On the eve of both the now-defunct London peace talks and the global bash celebrating Israel's 50th birthday, Yasser Arafat openly admitted what everyone already knew: that the PA had accepted the US 13.1 per cent withdrawal proposal. The way he put it was interesting, however. "Under the agreement, the first two phases of redeployment were supposed to be from 40 per cent of the West Bank. Then it was lowered to 30 per cent, then to 13 per cent. We have accepted this, working from a positive position."

Now, as anyone who has ever bargained while buying a kilo of fruit knows — and the peace process has always been articulated in market-place terms — when a tradesman can be bargained down by more than 50 per cent (67 per cent, in fact), this is a sure sign that he is dealing in shoddy goods. If Arafat can be brought all the way down from 40 to 13 per cent, why shouldn't he be brought down a few percentage points more — why, indeed, not to nine per cent?

Netanyahu's reported offer of 11 per cent is in perfect marketplace style, with bonanzas "moving in the middle", each conceding two points from his last offer. The Israeli premier can therefore lament with some justification, "It cannot be that Israel is the only side to make compromises."

The frustration of the US administration, as Dennis Ross' remarks to American Jewish leaders this week seem to underline, is that Netanyahu has stabbed them in the back. It was the Israeli premier, Ross said, who had asked Washington to "lower the expectations" of the Palestinians from the 30-40 per cent pullback, as understood from, if not clearly stipulated by, the Oslo accords. And lower them they did, a 67 per cent in one decisive swoop.

Be that as it may, the fact that fundamental Palestinian rights are reduced to petty haggling over percentage points is symptomatic of the basic laws of motion of the peace process. Even the most naive observers now know that the sovereign Palestinian state, as understood from, if not clearly stipulated by, the Oslo accords, is a mirage. It is not more than a pie in the sky, that all that is and ever was on offer was bantustans, and that the basic rationale of the process is all-peace-process is to bring the Palestinians, or at least their leadership, to concede, once and for all, Palestinian dispossession — going, going and gone.

This is not a matter of negotiating skill. Obviously, for a negotiator to start bargaining after hav-

ing already conceded 67 per cent of his demands is to invite the other party to seek more. This, again, is a "skill" which all little girls learn while still clutching at their mother's apron strings. That Arafat and his lieutenants seem to lack such skills is not, however, a function of gender-role division in a strongly patriarchal society, but rather of the fact that the Palestinian leadership has accepted the same role, both in the past and in the present.

Indeed, Arafat already seems to have conceded Arab Jerusalem as the capital of the Palestinian state, and this at a time when final status negotiations, which primarily are to decide the future of the eternal and unified capital of the state of Israel, are not even in sight. According to press reports last week, Arafat told visiting members of the US Congress and Foreign Relations that the Palestinian village of Abu Ditt, on the outskirts of Jerusalem, would be "acceptable" to him as the capital of the Palestinian "state".

The PA later denied the report vehemently. The Israeli daily Haaretz, which had published the report, countered by quoting one of the participants in the meeting who spoke on condition of anonymity, as saying that Arafat had in fact spoken about setting up the Palestinian capital in Abu Ditt.

Past experience and current practice give such Jewish organisations in the US have launched a sweeping campaign, involving scores of senators and congressmen, to warn the White House that any pressure on Netanyahu will endanger Israeli security. Meanwhile, the administration is swearing itself blue that the US "cannot dictate to Israel its security needs."

But if Israeli/Jewish security is threatened by such a caricature of Palestinian power, how much more will it be threatened by the fully sovereign Palestinian state, with Jerusalem as its capital, which allegedly lies at the end of the peace process? It should be blatantly obvious that it is the Palestinian people themselves, and their mere existence on their land, that are the real threats to Israeli/Jewish security. The Jews, after all, are an "exceptional" people; they make the desert bloom and create oases of democracy and Western civilisation wherever they set foot, carving their way out from the midst of barren barbarism. The Palestinian people, and their Arab brethren, they are the fundamental message expressed in the highly enigmatic and flowery pronouncements made by scores of leaders of the very liberal and very enlightened leaders of the Western world during the "Jewish state's" 50th anniversary. It is also the fundamental logic of the peace process: to protect Israeli/Jewish security is to

keep the Palestinians subjugated, and deprived of the basic rights of citizenship — any kind of citizenship — accorded, at least formally, to every other people in the world, at least since the collapse of the Berlin Wall and the end of the Cold War.

The greatest catastrophe that could happen to the Palestinians now, and it may have already happened by this time, is for Netanyahu, who arrived in Washington yesterday, to actually reach a deal with the Americans. He has promised the Americans a "creative fix" to reach the 13 per cent pullback, and US special envoy Dennis Ross has been reported to have said that the Israeli premier now has "positive ideas", which that boss decided should be discussed by his Secretary of State. "Whatever 'creative fix' the Americans and Israelis agree to, Arafat will have little choice but to sign on the dotted line. He has already put his fate, and that of his people, in American hands; he has bowed to the logic of Israeli/Jewish security, which is diametrically opposed to Palestinian self-determination; he has been complicit in a crime against the Palestinian people; he has agreed to actually grant the Palestinian rights are replaced by Zionist haggling over percentage points. To sign all of this will be to seal both the fate of the Palestinian state, and his own place in Palestinian history."

Who remembers that, when we speak of the 15 months since the peace process stalled, we are actually referring to the time when Israeli bulldozers started breaking through the walls of Abu Ghheina, on the outskirts of Bethlehem, to "organically" expand the "eternal and unified capital of Israel" by building a Jewish settlement called "Har Homa"? Who remembers that, when we speak of the "creative fix", we are actually referring to the "creative fix" that Arafat will have to sign on the dotted line? At the time, I remarked that the peace process is designed to dismantle and distort not only remote, but even recent Arab and Palestinian history. I reflected on how "Arab" events, sworn commitments, declared strategies seem to have magical qualities, continually performing the most amazing feat of a "disappearing act". At the time, I very much suspected of being told by Mr. Ross, for yet another of these magical tricks. It was.

Now we are talking percentage points.

Mursi Saad El-Din

In the second part of an occasional series, *Al-Ahram Weekly* takes a step back in time to visit the jewel in Talaat Harb's crown, and investigates recent

Soon to be r



photo: Sherif Sorbol

More than an institution, it is the emblem of the glory days: it had the best technology, the most powerful financiers, the most talented directors. It was a school, a laboratory, and the stage for some of Egyptian cinema's most important landmarks. **Hani Mustafa** looks back on Studio Misr's illustrious past — and peers into an uncertain future

"Motion pictures are among the most powerful industries of the age, which may compete with journalism and, soon, even surpass it," this realisation, expressed by Talaat Harb in 1927, may have spurred him, with the backing of Banque Misr, to undertake a project far greater than the establishment of a production company for short feature and documentary films.

Before setting up the company on 13 June 1925, Talaat Pasha Harb's astute business sense told him that entering a business with which he was not fully familiar demanded careful deliberation and study. It was ten years before he decided to establish the "factory" that would be responsible for "the production of such an important commodity". This was not a new idea: cinema companies had been operating in Egypt since 1921. One of the first movies produced in the country was the celebrated *Laila*, directed by Estefan Rosti and Wedad Orfi.

The importance of the cinema industry for Talaat Harb was confirmed by his statements, made at celebrations on 29 and 30 March 1927, during which he screened motion pictures produced by the Misr Cinema and Acting Company. He said: "Gentlemen, how we would have liked to be able to present to you, on this Ramadan night, pictures depicting an Egyptian story about Egyptian characters in a local setting, and of local production! But from the moment in 1925 when we set out to establish this company, we thought that, since cinema is a multifaceted industry, it would be starting with the simpler phases first."

When Talaat Harb decided to enter the motion picture industry on a larger scale, the concept of Studio Misr materialised. He re-concepted the great importance of setting up a studio complete with laboratories, sets and workshops, as well as a movie-house to distribute the product. All these were of utmost importance. Talaat Harb followed a similar rationale in his many endeavours, as he sought to pierce the Western monopoly on numerous industries in Egypt.

That was not all. To Talaat Harb, Studio Misr was not just an industry for the production of motion pictures, but also an institute where the various aspects of that art could be taught. In 1934, while preparations for the construction of the studio were underway, the management sent four study missions to Europe. Pioneer directors Ahmed Ba-

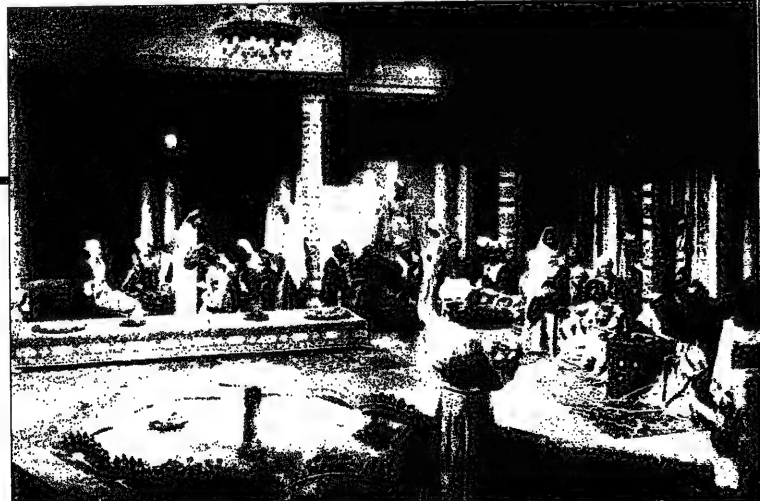
drakhan and Maurice Qassab were to study in Paris, while Mohamed Abdel-Azim and Hassan Murad went to Germany to study photography.

A year later, Umm Kalthoum starred in her first movie, *Wedad*, also the first of Studio Misr's productions. The script was written by the poet Ahmed Rami and directed by Fritz Kramp, who headed the editing department of the studio. The film was a tremendous success, both because of Umm Kalthoum and thanks to the modern technology employed by the studio.

Studio Misr productions continued their amazing success. There were musicals such as *Shay' Min La Shay'* (Something Out of Nothing) directed by Ahmed Badrakhan, and comedies like Naguib El-Rihani's ever popular and well-known *Salama Fi Khair* by Niaz Mustafa. Apart from these, one of the films that created the biggest commotion in the history of motion pictures, *Lashin*, appeared in 1939. The costliest production of its time, it took more than LE50,000 to produce, against a Mameluke ruler in Egypt. Box office revenue, however, fell short of all expectations. The film was released in the thick of a political crisis between King Farouk, on one side, and Wafd leader Mustafa El-Nahas and his ministerial cabinet, on the other, which led to the government's resignation. Immediately following the appointment of the new cabinet, the film was confiscated. Talaat Harb had to submit a personal request to the king for the ban to be lifted.

Director Kamal El-Sheikh was one of the young men formed in Studio Misr's technical department. "I entered Studio Misr at a time when I could not have gone to study abroad," he remembers. The studio was, at the time, the only establishment where it was possible to learn first-hand about cinema techniques, and where aspiring directors could actually witness all the different stages involved in making a film. The studio also offered opportunities to study abroad and meet European film-makers. A number of European technicians working for the studio, too: Fritz Kramp, in charge of the editing department when the studio was first set up, later became head of directing. Another German was head of dubbing laboratory. The sound engineer was also German.

All that made Studio Misr a place where one could acquire an expertise not offered by



many institutions in Egypt. Kamal El-Sheikh remembers: "In 1939, I met Ahmed Salem, the manager. I was assigned to work in the editing department, then headed by the great director Niaz Mustafa. I was terribly disappointed, because I wanted to learn about directing."

Anyone as eager to learn as Kamal El-Sheikh would certainly have been willing to walk from Cairo to Luxor if it meant becoming a director. El-Sheikh's daily commute was almost as arduous. He lived in Helwan at the time. Every day, he had to take the train to Bab Al-Louq, then walk to Qasr Al-Aini. A bus ride to Giza Square followed, then a taxi trip to the Studio Misr station on Pyramids Street. There, El-Sheikh had to walk about a kilometre and a half within the studio compound, on the banks of the Marioutiya Canal. All in all, it took him two hours to go to the studio each day, and two hours to get back home.

El-Sheikh watched everything that took place during the shooting with avid interest, inside or outside the studio. "I watched Niaz Mustafa as he sat before the Moviola [editing machine] with all the shots, from which he would begin to select the scenes, preliminary to the cutting and pasting process."

During World War II, Studio Misr benefited to a certain degree from its association with the European missions who were shooting documentaries about the war and related events. Kamal El-Sheikh was then asked to do the cutting and dubbing of some of those films. He learned the trade by watching, and by association. Finally he moved up to the editing room.

Like all other establishments in Egypt, Studio Misr was affected by the economic problems that came with the war. Due to the shortage of films, a number of employees were laid off, including El-Sheikh, who was still just a trainee at the "big institute". Thus, he left the studio not as a graduate, but released for redundancy.

With the war still ablaze, El-Sheikh found himself working freelance. He had acquired sufficient expertise to work in the editing room under Kamal Selim, who was directing *Les Misérables*. He later returned several times to Studio Misr, where he edited a number of films.

The war took its toll, however. The German technical experts who had been working there were sent to British camps until the end of the war, which deprived many trainees of their ex-

perience. The studio still stood behind Kamal El-Sheikh. In 1952 it helped him make his first film, *House No. 13*. The project was immediately approved when Kamal El-Sheikh summarised his script for one of the studio managers, who was also one of the managers of Banque Misr. The film was one of the first Egyptian productions to use psychiatric as dramatic material.

Kamal El-Sheikh still remembers the facilities that helped him cut costs as far as possible. "I asked director Erzeddin Zulfikar not to tear down the set he had been using. I was then able to change the accessories, without building a whole new set." As for the director of photography, the late Wahid Farid, he accepted to wait until after the film was released and money from ticket sales collected before cashing his paycheck. It was this climate of cooperation that facilitated the completion of El-Sheikh's first film.

Studio Misr also produced classic pieces in Egyptian music history. The head sound engineer, Nassir Abdelnour, recorded the songs of Abdel-Wahab and Umm Kalthoum. Abdelnour rarely left the recording studio, his "hermit's cave".

attempts to capitalise on the seventh art. Can entrepreneurs make good movies? Lights, camera... and the real action — box office returns

released?

A capital production

Digital technology, plush velvet seats and nationalist icons: private capital is elbowing in on the seventh art, and the cameras are rolling. **Khaireya El-Bishlawi** from the front row

The crisis in Egyptian cinema is a topic that has been milked perhaps more than its fair share. Thousands of pages have been written on the gravity of the crisis; for years now, those in the industry have been talking of nothing else. Seminars and workshops have been organised and attended, and reports have been submitted to the relevant authorities. Recently, the state has issued a prescription, touted as a panacea for this chronic migraine: the investment incentives law, which offers numerous exemptions, benefits and concessions to companies in the cinema industry with a capital in excess of LE200 million.

Director Youssef Chahine has led opposition to this law, which he considers blatant discrimination. He has threatened to chain himself to the fence outside the prime minister's office if the law is not amended to provide the same benefits and incentives to smaller investors. Others believe that the revitalisation of the motion picture industry will require injections of capital that only huge corporations can provide.

In many ways, reality has already outstripped the arguing. Two companies, each with a capital of LE300 million, have already been established. The first, Egypt's Renaissance, has inaugurated a movie theatre where movie-goers can enjoy the entertainment benefits of the most modern sound technology, as manifested in Sony Digital Sound Systems ("you feel like you're in the movie," says one addict). The second, Ray/Shoaa, founded by business magnate Mohamed Abul-Enein, has produced two films, on which work is almost complete.

The founding members of Egypt's Renaissance, headed by businessman Naguib Sawiris, have chosen the statue by Mahmoud Mukhtar as their company's emblem. The statue's significance as a symbol of the nationalist movement need not be mentioned: the connotations, for the Renaissance company, are obvious.

Will the new law, then, actually bring about a renaissance of Egyptian cinema? Will the cinema industry recover the glory built up by Talaat Harb and his colleagues?

Most of the founding members of Egypt's Renaissance have different professional backgrounds. Billionaire Naguib Sawiris is in charge of the electronics department of Orascom, his family's firm. Tareq Ali Sabri owns a video and American film distribution company. The agent for Columbia and Tristar Films in Egypt, he is also marketing and distributing the production of Renaissance through his company, EHE, waxes lyrical when it comes to the new venture. "I have been fascinated by cinema since I was 14. I love the field. I started with distribution and the video

showing *Hysteria*, directed by Adel Adib, when we could have started with a foreign production. The problem we have to contend with is the scarcity of local production. Egyptian films are not enough to keep one cinema going, not to mention 100."

Actor Hussein Fahmy is not among the detractors of the new law, and the companies that will benefit therefrom. "There is good reason for optimism. The motion picture industry is in dire need of large capital. What we really lack is modern technology. We don't need the state's backing in production. In my opinion, the state does not believe that cinema is an art. The owners of the new companies are keen to find solu-

Elham Shahin, currently appearing in *Dantella* (Lace), predicts that "the companies established under the new law are only the beginning. We need more to resolve the crisis. The wheels are already grinding. I feel optimistic because the owners of these companies are businessmen who are highly cultured and have a great deal of experience. The new producers are well versed in the principles of the industry, and the way to export it properly. They will handle its industrial and commercial aspects, and leave the technical side to the artists. The state itself has encouraged this turn of events."

Director Kamal El-Sheikh, too, is all optimism. "Since cinema combines art with industry and commerce, there should be other establishments, not necessarily government-owned, along the model of Studio Misk, which had an independent

department in charge of production management. Competition is fuel for progress. Cinema, like any industry, needs good management and large funds." El-Sheikh, however, is opposed to the sale of state-owned production studios. "The state could lease them for a reasonable price. Selling them will increase production costs unduly. In any case, the state originally seized these studios and paid no compensation to their rightful owners."

The new companies, he suggests, will help regulate external distribution. Profits can thus be protected against the unauthorised use of intellectual property. Cinema, he adds, also benefits from economies of scale. El-Sheikh, however, cautions that "we should not expect any development in the coming three years. The real dilemma is the increase in tickets prices, even in the public sector cinemas. This increase will inevitably affect production and the state of cinema in general."

in general, says Nagla Fathi, who produced and starred in the '80s smash hit *Supermarket*, is also enthusiastic: "We have to do three things to resolve the crisis: remove the entertainment tax, reduce taxes on films, and reduce the rent or prices of studios." Not is Fathi advancing the idea of cooperating with the new companies. "Even if all they do is to upgrade existing cinemas, that will be something. If they restore Egypt's cinemas, we will not need external distributors. If ticket prices went down, more people would go to the cinema, and we would be making huge profits."

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Magnib Sawiris

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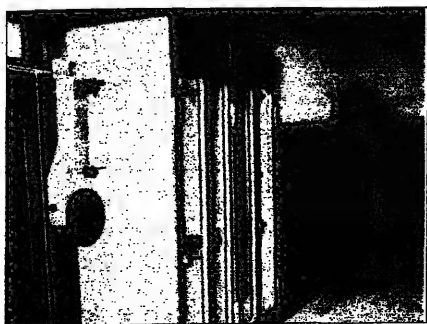
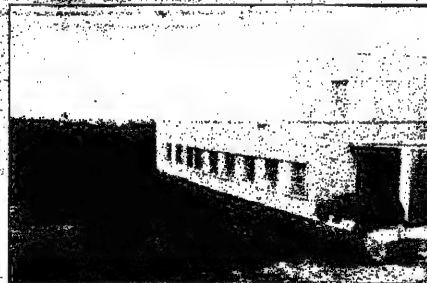
Magdi Ahmed Ali, the director of the much-lauded *Ya Dunya Ya Gharani* and, more recently, of *Al-Balad*, is just as optimistic. "For the first time in the history of Egyptian cinema, enlightened men are now shouldering the responsibility of production. These new investors are educated and modern. We should stop harassing them. They will go on enhancing the quality of production as a whole. The state will give us venues, the better the outcome. The state believes that cinema at its best is just a media tool or a means of entertainment. So officials throw money away on mass media ventures, while real cinema gets nothing. The state should confine its role to easing up on censorship. It should stop the usual 'beautifying of censors' on film posters."

Cinema critic Medhat Mukhtar estimates that talking about national cinema and local production is futile. He feels the film industry must be involved in technical and financial projects: building cinemas, and creating an environment in which directors and actors can flourish. The production crisis, however, "is not about the shortage of funds, it is about the inadequate management of available funds." Yet Mukhtar comments: "The total capital of Egyptian companies would consider gigantic is what Warner Bros. spend in 72 hours of advertising. I remain sceptical as to whether they will get through the crisis."

Critic and researcher Ahmed Raafat Bahgat admitted that the opening of a new, upscale cinema was cause for enthusiasm — "which is dampened when you hear that a ticket costs LE15. There are millions who want to go to the movies, but the cost of entertainment will eventually become prohibitive for large sectors of the population." Bahgat feels sure that the new companies are moved only by the profit imperative, not by any desire to develop Egyptian culture. "I shall feel optimistic only if moderately-priced tickets are available at several cinemas. Ultimately, these companies must make films to serve the requirements of the industry, as well as the basic needs of citizens."



3. Shmuel Ben-Ami, *Director*
 E. Shmuel Ben-Ami, *Director*
 Studio Misk, to the glory
 days, a city unto itself,
 barrels of chemical solution
 used to develop the films
 the studio was renowned
 for its use of cutting-edge
 technology: the "developing
 machine" into which the
 chemicals poured.
 Opposite page, top: Talant
 Mark's bust looks proudly
 out from the its vantage
 point, in front of Studio Misk,
 once the industrialist's
 pride and joy; bottom:
 Wodad, an Umm Kalthoum
 showcase, directed by Fritz
 Kramp



Set designer and engineer Fahim Hammad remembers that in the 1960s, when he entered Studio Misr, film sets and studios were built in the studio's workshops. "They even made the furniture in the public libraries and cultural centers in the different governorates."

These days, exterior scenes for two films, *The Wall of Heroism* and *An Upper Egyptian at the American University*, are being shot on two of the studio's sites. On Set No. 1, the interior designs for the serial *To Each, Full Responsibility* are being completed. In the workshop, the set for Mustafa Qamar's new clip is under preparation.

Preliminary to its privatisation, Studio Miskin is currently considered a separate sector, administratively and financially. This independence may have spurred the studio to develop a little quicker than before, which may lead to greater achievements. Hammond says they are currently renovating the film developing and processing department, which was begun in 1982. A task force guided by the lab director is renovating the machines for developing negatives. The team has already renovated the developing department that had been closed since 1975. It was purchased in 1977, it arrived without a manual. The team prepared a detailed manual for operating procedures, repair and maintenance.

It is the spirit of Studio Miskin that is regenerated? Or is it the spirit of the film industry? The national cinematic institution is put up for sale.

Potential privatisation has triggered extensive debate among industrialists and filmmakers alike. A few years ago, the late documentary director Salah El-Tohami led a campaign to prevent the sale of Studio Misr. He believed it should be considered part of society's cultural heritage. He proposed that people working in films should buy shares in the studio to prevent a monopoly being established.

Kamal El-Sheikh fears that, if the studio is sold, the cost of renting sets and equipment will rise beyond the means of many producers. He suggests the studio should revert to Banque Misr.

In the studio's courtyard is a bust of Talaat Harb, sculpted by Abdel-Qader Rizq. On the base is an inscription that reads, "in gratitude to the late Mohamed Talaat Harb, this statue has been erected by the officials and employees of the Egyptian Cinema and Acting Company, November 1951."

'Of course we are dedicated to fine art. The company plans to build or renovate cinemas, introduce new technology, and produce films. People may be sceptical as to our intentions. But we actually want the good of our country. Five years from today, 100 movie theatres will be open.'

Naguib Sawiris

One of Sabri's main concerns is to protect Egyptian films from piracy operations — or at least to collect the fines from copyright violations. Renaissance, he says, is considering hiring an attorney to this end.

Hisham Fayek worked at the United Nations before entering the cinema industry. A shareholder in Egypt's Renaissance and co-owner of the distribution company, EHE, he focuses on the nationalist angle of the revival operation. "We are all aware of the importance of cinema in consolidating national culture and identity. We anticipate the successful revival of Egyptian films. Our activities will not be limited to promoting American films, as some people imagine." The team's goal: "To establish an industry". Cinema, of course, is a profitable commodity, especially in an era of economic liberalisation. "The bu-

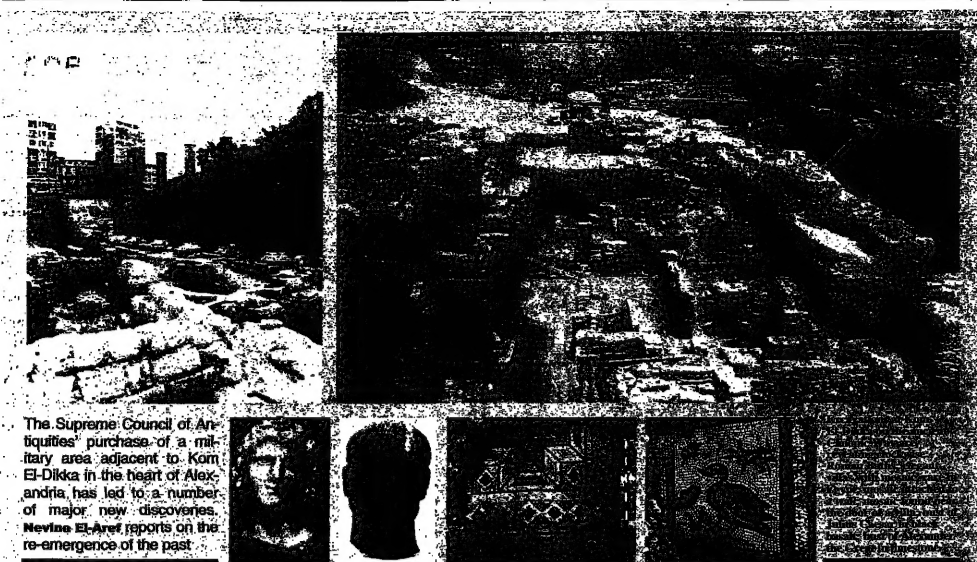
an era of economic liberalisation. "The bureaucracy monopolised production and distribution for a time. Our task is to reverse the current stagnation with the help of young graduates of technical institutes, particularly those from the acting section of the Arts Academy." New blood, then, at every level. Will the jeune premier really be so quick to combine the two worlds?

The 1940s were perhaps the darkest years for Egyptian cinema, technically speaking. The Open Door policy of the '70s gave birth to "contractors' films", entertainment targeting the nightclub audience. Egypt's Renaissance seeks to capitalise on this dichotomy: on one side of the fence, sleazy, high-budget films. On the other,

During the celebration organised by the Renaissance company to celebrate the inauguration of the cinema bearing the same name, Naguib Sawiris illustrated this point. "Of course we are dedicated to fine art. The company plans to build or renovate cinemas, introduce new technology, and produce films. People may be sceptical as to our intentions. But we actually want the good of our country. Five years from today, 100 movie theatres will be open."

And Sawiris, like his partners, is quick to emphasise the company's potential role in promoting indigenous industry. "We started by

Edited by **Pascale Ghazaleh**



The Supreme Council of Antiquities' purchase of a military area adjacent to Kom El-Dikka in the heart of Alexandria, has led to a number of major new discoveries. Neville El-Aref reports on the re-emergence of the past

An ancient city reborn

Little remains today of ancient Alexandria, the great capital of the country in Graeco-Roman times. The modern city has buried the ancient town. The present-day intersection of Nabil-Daniel, Sidi El-Mitwalli and Horriya streets used to be a great boulevard known as the Canopic Way which was flanked by marble colonnades extending from the Gate of the Sun, where visitors entered the city to the east. Beyond this crossroads in Midan El-Gumbourrya with the Edvardian bulk of Mier Station and, in front of it, the site known as Kom El-Dikka, surrounded by a huge iron fence. Here excavation and restoration have been under way since 1960, led by a Polish-Egyptian team. A huge amphitheatre has been uncovered, as well as a Roman settlement including limestone villas with mosaic flooring, baths with cisterns and a bust of Alexander the Great.

"Kom El-Dikka has the only well-preserved remains of the ancient city," said Grzegorz Majcherek, director of excavations. "We have many remains of foundation work outside the ancient city, but this site is the only place where we can see how urban construction was."

The site covers quite a large area, measuring some 40,000 square metres, and houses a number of important Roman monuments. The elegant Roman theatre with marble seating for seven to eight hundred people includes brick and stone galleries and a forecourt housing two patches of mosaic flooring. "During Ptolemaic times the theatre was a park, a hilly pleasure garden with a limestone summit carved in the form of a pine cone. Roman villas and baths later encroached on the area," explained Majcherek. "This theatre has been twice restored, in the late sixties and again in the eighties. It is the only monument of its kind in Egypt. Another was found in Palmyra a few years ago, but all that had survived of the building was its foundation."

To its north lay the residential quarter of ancient Alexandria with public baths, cisterns, houses, shops and streets. The baths are huge and, as Majcherek explained, were most probably constructed by the Roman emperor who offered them to the city as a gift. "The bath area,

which is very well-preserved, is made of red brick. The remains today are half the original size of the building. The other half, which was built of stone, was pillaged during the Middle Ages, as were many other ancient monuments, to be reused for other buildings," he said. "Parts of the city wall that surrounded medieval Alexandria were made of the stones from ancient buildings, such as those which used to stand near the stadium of Alexandria," he added.

The cisterns found next to the baths were used to supply them with water. "This is quite unusual in Alexandria," said Majcherek. Cisterns were not usually used for storing water, but "to keep water at a certain elevation so that it could then be poured downwards."

"We have hundreds of cisterns in Alexandria, but all of them are underground and were intended to be used for water storage only in the event of drought or war," Majcherek continued. "This kind of cistern, which is known as a cisterna since Greek times, is used primarily to produce the desired pressure to keep the water flowing."

On a lower level, to the east, a complex of private Roman villas and houses has recently been discovered. "These date from the first century and belonged to high-ranking officials or wealthy people who were able to build such structures,"

said Majcherek. They are huge, made of limestone, and have central courts, surrounded by columns and decorated with mosaics. One particularly beautiful mosaic was found in one of the rooms after clearance. It takes the form of a circle inscribed in a large frame filled with alternating triangles, the contrasting white marble and red porphyry creating a colourful geometric composition. Remains of painted decoration, including a black circle with rectangular alternating red, yellow and black panels separated by thin green bands, were also discovered.

More than 20 fragments of coloured mosaic, which are extremely rare in Egypt, have been discovered along with seven pieces of sculpture, including a head of Alexander the Great and some fragments of statues of Hercules and Apollo. A lot of domestic objects have also come to light, such as lamps, pottery and coins. "The buildings were destroyed in an earthquake. They provide us with a wealth of information about the building techniques and architecture of the time," said Majcherek. "Underneath this site, there are also Ptolemaic monuments waiting to be found."

Restoration work has concentrated on the portion near the bath area. Its six columns had fallen down and the blocks were broken into pieces. These have now been reassembled and re-erected

in their original positions. New bases of artificial stone were made for some of them. "The third bastion of the southern outer wall of the bath was also reconstructed and will provide a viewing platform overlooking the Roman villa and the mosaics discovered between the baths and cisterns," Majcherek said.

Thus, a comprehensive vision of Alexandria in its heyday is gradually coming to light. Excavation and restoration work are running in parallel. In one area, according to Tomasz Herlich, secretary-general of the Polish Centre, the subterranean vaulting has been restored, one heavily damaged vault leading to a furnace has been reconstructed, and another vault in the southern part of the service area which was "almost entirely dismantled in the Mameluke period, has also been restored, thus permitting entry into this part of the service cellar in the future." A total of 12 square metres of vaulting have been completed. Herlich explained that the western end of the outer wall of the baths has been cleared, the overhanging structure protected with steel angles, and the lower foundation courses of the buttress rebuilt. And this is only a part of the site.

Wojciech Kolasiński, director of the Polish mission in Alexandria, explained that restoration of Kom El-Dikka faces two main problems. The first is the accumulation of rain water in the lower parts of the ancient city, and the second is the crystallisation of salt on the surface of the monuments. "Trying to channel the water away is useless," said Kolasiński. "The sewage system of the modern city is built at a higher level than the lower parts of the monuments, so water cannot be removed to the sewage system." To solve the problem of penetration by water, Kolasiński suggested creating the Roman sewage system to carry water to the main water table "and let rain water into the cisterns without any pumping and without building a new sewage system." He also suggested growing plants around the monuments so as to absorb rain water, and digging shafts or artificial tanks to gather the rain water inside them.

An eternal crossroads

WHILE removing an artificial hill built by the French during the Napoleonic expedition to Egypt, and later extended by Mohammed Ali, thousands of Islamic tombs have been found superimposed on top of Graeco-Roman monuments.

"This area is quite rich in Islamic tombs, a large collection of Islamic glazed pottery

comparable to that found at Fustat. No other site in Egypt has produced such well-preserved pottery," said Majcherek. Kom El-Dikka is also rich in glazed pottery from all over the Mediterranean basin — from Syria, Cyprus, North Africa, Tunisia, Spain and Italy, as well as a few pieces from as far afield as China. This is a clear indication that ancient Alexandria

Site tours

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Services almost every half hour from 5.30am to 10pm. From Tahrir, then Giza, Al-Azhar and the airport. Tickets LE19 until 9pm; LE21 thereafter; from the airport LE24 until 9pm; LE20 thereafter.
A VIP bus with phone access leaves Al-Azhar at 7.15am. Tickets from Al-Azhar LE28; from the airport LE32 each way.

Cairo-Marsa Matruh
Services at 7am departure and 7pm return from Al-Azhar and Tahrir Stations. Tickets LE35.
Cairo-Sidi Abdo-Bahariya
Services at 6.30am, 7am, 8am, 9am and 3.45pm. Tickets LE32.

Cairo-Port Said
Services every half hour from 6am to 8am; then 8am, 10am, 3pm, and 4.45pm, from Al-Azhar, then Ramses Street. Tickets LE33 each way.

Alexandria-Port Said
Service 6.45am, from Ramses Square in Alexandria. Departs Port Said 3.30pm. Tickets LE22 each way.

Cairo-Hurgada
Services 8am and 5pm, from Tahrir, then Giza and Al-Azhar. Departs Hurgada noon and 5pm. Tickets LE40 until 5pm; LE43 thereafter, both each way.

Alexandria-Hurgada
Services 8am, from Ramses Square, Alexandria. Departs Hurgada 2.30pm. Tickets LE30 each way.

Cairo-Sharm El-Sheikh
Service 11pm, from Tahrir, then Al-Azhar. Departs Sharm El-Sheikh 11pm. Tickets LE50 each way.

Trains

Trains run to Alexandria, Port Said, Luxor and Aswan, from Ramses Station. Tel. 147 or 375-3555.

Cairo-Luxor/Aswan
"Express" deluxe trains with sleepers.
Services to Luxor and Aswan 7.40pm and 9pm (reaching Luxor 6.45am and 8am, Aswan 8.45am and 10am). Tickets to Luxor LE204 for foreigners and LE129 for Egyptians, to Aswan LE300 for foreigners; LE141 for Egyptians.

"Night" trains without sleepers.
Services to Luxor and Aswan 6.45pm, 8.45pm and 9.45pm. Tickets to Luxor first class LE31; second class LE31. Tickets to Aswan: first class LE33; second class LE37.

Cairo-Alexandria
"Night" trains.
VIP trains: Services 8am. Tickets first class LE32 with a meal; LE33 without a meal.
Standard trains: Services 8am, 11am, noon, 3pm and 7pm. Tickets first class LE22; second class LE17.

"Night" trains.
Services hourly from 6am to 10.30pm. Tickets first class LE26; second class LE22.

Cairo-Port Said
Services 6.20am and 8.45am. Tickets first class LE43; second class LE38.

EgyptAir

There are between two and five domestic flights daily. Check EgyptAir office 198-0997. Opens 198-3444, or Helios 772410.

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Cairo-Luxor
Tickets LE254 for Egyptians, LE253 for foreigners, both round-trip.

Cairo-Hurgada
Tickets LE279 for Egyptians, LE289 for foreigners, both round-trip.

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Compiled by Rehab Saad



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Khufu goes karate

Twenty-eight countries took part in the First Al-Ahram International Karate Championship, culminating in the finals on the Pyramids Plateau. Abeer Anwar tightens her belt

The Egyptian Karate Federation has celebrated its silver jubilee by hosting its first ever International Championship. Coinciding with the national day of Giza Governorate, the Pyramids Plateau was chosen as the scene of this great event. As usual, it was Al-Ahram Organisation, the great pioneer of international sports competitions, who came forward with the money and help that made the whole thing possible.

Twenty-eight countries took part in the two main events, Kata (performing certain actions) and Kumite (fight), in both individual and team categories. The finals of both events took place at the Son et Lumiere venue by the Pyramids. As the host country, Egypt was represented by four teams. A number of karate experts and members of the International Karate Federation (IKF) formed the organising committee of the event, which was accorded official IKF status.

What more perfect setting for the young Egyptian karateka to recall the amazing glories of the Ancient pharaohs, as their spirits filled the place with a gentle breeze. These modern sons of Tut and daughters of Hatshepsut did not disappoint their ancestors, taking first place in both events in both the individual and collective sections.

In the Kumite event, organised as an open-weight competition, each match lasts three minutes and the winner scores an ebon (a full point). In the individual competition, Egypt's Ahmed Sobhi and Hassan Yousef took the gold and silver medals. In the team event, Egypt's A-team, made up of Hussein El-Desouki, Mohamed Hamid and Ashraf Maghawri, collected the gold medal, Kiyoshi came second, Egypt's B-team third and Syria fourth.

Similarly in the Kata competition, Egypt took the first five individual places as follows: Reda Yousef first, Michael Yousef second, Mahmoud Mohamed third, Seif El-Nasr Mustafa fourth and Karen Abul-Scoud fifth. In the team event, Egypt B, featuring Seif El-Nasr Mustafa, Mahmoud Mohamed and Reda Yousef, came first, while Egypt A, made up of Juniors Sherif Fakry, Michael Yousef and Karen Abul-Scoud, came second.

Taking advantage of the presence in the country of many top world experts, the Egyptian Karate Federation held a two-day training session for coaches and referees to introduce them to the latest training systems and recent changes in the rules of the game. "We are training 150 coaches and referees who will receive international certificates approved by the IKF," said Zakaria Abdel-Aziz, technical manager of the national team. "This has saved us a lot of money, as sending just one coach to train abroad is very expensive. We now have a number of well-trained coaches and referees, and this will be reflected in the progress of our karateka."

Khaled Gad El-Moula, manager of the First Al-Ahram International Karate Championship, said, "It has been a very successful event, restoring Egypt's reputation as a secure place for foreigners. A competition sponsored by Al-Ahram Organisation will also help boost the financial standing of the Egyptian game, which is the sole obstacle in most sports to greater achievement."



Hail!

Leaping pharaohs: the Egyptian team springs into action in the Kata event at the Al-Ahram International Karate Championship (above).

Haw!

while one of the individual karateka squares up to demolish a largely imaginary and rather pesterish opponent (below).

Ha!

Photos: Mohamed Anan

Rhythm and art in Namibia

The Egyptian junior gymnastics team won first place in the African championship in Namibia, outclassing the seniors who came in third. Eman Abdel-Moeti reports

The new generation of players were selected to join the junior national team only last year. Yet they were ready to win their category in the artistic and rhythmic gymnastics section of the African gymnastics championship.

The senior team, on the other hand, which includes Farouq Abdel-Kerim, gold medalist in the Mediterranean Games in Bari, only managed a disappointing third. In all, Egyptian teams — men and women, juniors and seniors — returned home with 49 medals: 16 gold, 19 silver and 14 bronze.

But the juniors were the great revelation of the tournament, finishing ahead of seven other countries, including arch-rivals South Africa. In the artistic event, Mohamed Zaki won the gold medal on the horse vault and the silver medal in the overall contest. Zaki, a promising young gymnast, impressed the international federation so much that its secretary has predicted he could one day reach the same heights as Abdel-Kerim. Tarek El-Sayed won two gold medals on the horse vault and parallel bars, also pocketing the silver medal on the ring. Mohamed El-Menshawey took the bronze on the ring.

In the senior artistic event, Egypt notched up third place. Abdel-Kerim won the silver medal on the horse vault and the bronze on the ring. He had been expected to win the gold medal on the horse vault, but perhaps participating in three consecutive international competitions

— in Paris, Belarus and Romania — had taken its toll. Tarek El-Sayed won their only gold medal, on the horse, and the silver medal on the horse vault. Karim Ali won the bronze on the horse.

In the women's artistic event, the juniors took second place while the seniors were reduced to only two players, one of them taking second place in the overall category. Junior Nervana Zaher won the silver medal in the floor event and the bronze on the beam and the parallel bars. Samar Yousef won silver on the beam and on the floor. Farah Fadel won the bronze medal on the horse vault. From the seniors, Dalal Naguib won the silver medal on the horse vault, second place in the overall event and the bronze medal on the parallel bars.

The women's junior and senior rhythmic gymnasts took Namibia by storm, taking first place in their events. The junior team was victorious in both the overall and the team events.

Rhythmic gymnastics referee, Egyptian Heba Salama, also had something to celebrate, taking home a judging certificate awarded by the international federation. Salama, head of the African Federation's technical committee for rhythmic gymnastics and a member of the Egyptian Federation's technical committee for rhythmic gymnastics, thus became the first Egyptian and the first African referee to be certified by the international federation.

Football (or what passes for it...)

ZAMALEK, Egypt's only remaining representative in this year's African competitions, were defeated 1-0 by Sudan's El-Hilal to crash out of the Confederation of African Football (CAF) Cup last Sunday.

Hilal took home a goalless draw from the first leg of the second round away match in Cairo two weeks ago, and have now managed to qualify for the quarter-finals thanks to a late goal. With only seven minutes to go, the referee awarded the home side a penalty for a harsh tackle from an Egyptian defender inside the box.

Defender Mohamed Abu Shama successfully converted it, leaving Zamalek keeper Nader El-Sayed.

Edited by Inas Mazhar

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Rashida Abdel-Salam:

Real to real

She creates what we see at the cinema. As the rushes stream by, a film forms in her mind. The spool slows, stops, and a mark is made

"Don't take my picture," orders Rashida Abdel-Salam. "What do you want my picture for?" She has barely paused to draw breath after greeting us, and is expressing surprise. Why, she wonders, would anyone want to write an article about her? "The directors are known; they're the bosses. The scriptwriter, well, he's a writer. The actors are known, even the set designer and the make-up artist are known. Their jobs are easy to understand. But film editing? No one knows about editing. You would have to write a book about it. Especially now, with computers, editing is not an easy thing to understand."

But Rashida knows this is not quite true — or at least, she's the exception to the rule. Not a star, maybe. But she has worked with the greats, from Shadi Abdel-Salam to Youssef Chahine. "My brother, my father, my teacher, my darling..."

She sits in her tiny room at Studio Al-Ahram, striking in a splendid burgundy coat, waving a cigarette as she deplores the demise of cinema.

Her voice is gravelly, and would be intimidating if she did not roll her Rs like a Parisian. Her words tumble on, over the edge of her breath, and every now and then she gasps in a word, and continues, in an even smaller room, just off this one, sits her love, her pride and joy: the Maviola, her editing machine.

The cinema industry is going through a crisis that has given rise to much soul-searching among the intelligentsia, and, more importantly, has left cinemas almost empty. Rashida Abdel-Salam leans forward, her spectacles slipping down her nose to reveal eyes of surprising intensity. "Where are the premieres?" she demands. "They don't make opening nights any more." Fewer and fewer films are made each year. For the woman who believes that editing is a process of creation in and of itself — the woman who has made such landmarks of Egyptian cinema as *Shay Min Al-Khayf* (Something to Fear) and *Al-Haram* (Shame), there are few opportunities for fulfillment. Everyone knows the closing line from *Something to Fear*: gripped audiences at the throat. Thirty years later, the hair still rises on the back of your neck as the flames rise, licking at the corners of the screen. Rashida's editing turned Hussein Kamal's powerfully-shot tale of the wealthy and corrupt landowner who insists on marrying a peasant girl against her will into a classic.

Today, such classics-in-the-making are few and far between. The exceptions, however, are notable. The most recent, for Rashida: *Al-Masir* (Destiny).

Madame Shoushou, as she is affectionately called by anyone who knows her, fell in love as a child. She used to play hooky to go to the cinema. But she had no idea, back then, that her involvement in movie-making would be so direct and hands-on. She wanted to be an actress at the time. For a girl "from Shubra — you know, around", married off at fifteen, a mother at sixteen, this must have seemed an obvious choice. But the marriage fell apart after barely three years; an old life ended, and a new one began.

She was mother and father to her daughter, and she started work as an extra: bit roles that

she hoped would eventually net a bigger fish. Her plans soon changed. "I couldn't be an actress because I can't roll my Rs properly," she explains. "So I found out about editing." Her apprenticeship marked the beginning of a lifelong passion. Was it difficult? She is adamant that it was not.

It is a little disconcerting, her resolute refusal to see anything she has done as exceptional. Then again, she has been accustomed to adversity. Her father taught in community schools; he had a wife and child in every town. He left soon after she was born. In bringing up her own daughter single-handedly when her marriage ended, she was only following in her mother's footsteps, after all. Strong women, both of them. And characteristically, Rashida does not see herself as a woman who has made it in a field traditionally dominated by men, although she is one of the few Egyptian women who has worked in editing film negatives. "That's where the credit is," she adds. Ultimately, Rashida just loves her job — passionately.

"It's a question of a path you follow — your destiny," she explains. "I never studied. I was no good at school, and there was no Cinema Institute when I was growing up. I learned my job through experience, in practice, from the generation at Studio Mier in Tahrir Square's days. Salah Abu Seif, Kamal El-Sheikh... It's all experience. I sat and practiced for five years as an assistant. I worked on Youssef Chahine's mo-

agree, all right. But the director is usually convinced. It's a matter of confidence."

Director Radwan El-Kashif, who worked with Rashida for the first time on the soon-to-be-released *Aray Al-Balah* (Palm Wine), tells the other side of the story. The relationship between editor and director must be fraught with tension, surely? It must be traumatising to deliver one's newborn, one's pride and joy, into hands that will sift through kilometres of film, and, perhaps, snip and discard that very scene one shot with one's heart in one's mouth. It must be terrifying to contemplate those hands that will carefully put this sequence there, cut and paste so the backbreaking hours are transformed into a final product that will keep audiences — hopefully — glued to their seats. "She attacks the film," he says. "She is a bold and courageous woman." But what is it like? "She immerses herself entirely in the film. She takes her work home, thinks about it constantly, comes in every morning with new suggestions, to make it better, tighter. She does justice to every second. She is an amazing, a grandiose person."

Back at the studio, Rashida breaks off to ex-

plaining instructions. It all shows in the end. I have to feel the machine in my stomach: it should not pull me in. She compares the editing process — the blood and guts of it, the bits and pieces on the cutting-room floor — to a writer's work. "Some people can't write unless they have a pen in their hand. They have cramps in their wrist, it's a painful thing, but they love it. When a writer breaks off to sharpen his pencil, there's a moment of thought; you dream for a second. It allows you to continue, to begin creation anew. It's the same for me: when I pause to mark the film for cutting, my mind keeps working. I am actually deciding what the next step will be."

Her trepidation when she first approached the computer (while working on *Al-Masir*) is still patent. "The first two days I just watched. Then, on the third day, I reached out — like this — and hit the key to mark the spot where the scene would be cut." She pulls her hand back as if from a flame. She is still sceptical. Computers, she feels, cancel the essential distance between the editor and the movie. Like a VCR, or a large TV screen in a small room, they create a false intimacy. "When I watch the movie for the first time after the editing is done, I sit alone in the back of the theatre, with my ashtray next to me. I don't like to have anyone next to me. You need that distance, between you and the film. Otherwise, you don't feel it. The distance creates the emotions between me and the screen."

We leave Rashida Abdel-Salam and her small room, and stumble out into the grey sunlight of the studio's scruffy grounds. She stands at the door, waving goodbye, her head lowered, looking out from beneath a thick lock of hair that has fallen forward over her eyes. She may be thinking this would be a good place to fade to a new scene. Behind her, in the darkness, the Maviola hums and purrs. (see pp. 14-15)

editing stage until it's ready to go to the cinema. Her gestures acquire a new fluidity, as she rolls the spools of film onto the reels, examines the pictures which appear on the screen before her, rewinds, speeds up the strip of celluloid. It is easy to understand her lack of affection for computer-assisted editing. "The computer pulls you," she says. "You don't control it, it controls you. Everything goes too fast with a computer. With the Maviola, I control every second. I plan the whole thing. I can work with computers; that's the future, after all. But one's vision does not show in the same way. You're just fol-

lowing instructions. It all shows in the end. I have to feel the machine in my stomach: it should not pull me in. She compares the editing process — the blood and guts of it, the bits and pieces on the cutting-room floor — to a writer's work. "Some people can't write unless they have a pen in their hand. They have cramps in their wrist, it's a painful thing, but they love it. When a writer breaks off to sharpen his pencil, there's a moment of thought; you dream for a second. It allows you to continue, to begin creation anew. It's the same for me: when I pause to mark the film for cutting, my mind keeps working. I am actually deciding what the next step will be."

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Profile by **Pascale Ghazaleh**



Among Rashida's creations, Youssef Chahine's *Al-Muhajer* (The Emigrant) and *Al-Masir* (Destiny), Henri Barakat's *Al-Haram* (Shame)

amine the photographer. "Are you going to sell those pictures on Ford Street?" she demands. "What about taking off your glasses?" we suggest. "I am not taking off my glasses," Rashida retorts indignantly. "The glasses stay on." She glares at us ominously, then turns her head away and a shy smile creeps around the corner of her mouth, and up toward her ear. Only when she sits in front of the Maviola does she seem completely at ease. Come inside, says Rashida Abdel-Salam, as she moves carefully into the adjoining room. It is more of a cubbyhole, lined with metal shelves on which canisters of film sit quietly. Apart from these, it

was as an assistant. When I reached the Maviola, and sat down in front of it, that meant that I had received the seal of approval." Her success in earning that seal she puts down to "responsibility, and a feeling for the reality of the film." Rashida works with the director throughout the filming process. "The cameramen film the movie, then go out, to another set — whatever. Everyone works on a part of the movie. But the editor is involved in the movie until the moment it is released to the public." She does the work herself: this is the first stage. Then she and the director sit together to check the rushes. "I give my opinion. If the director doesn't

agrees, all right. But the director is usually convinced. It's a matter of confidence."

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Pack of Cards

by Madame Sosostris



Nadia Makram Elbehi's surprise visit; Maj. Gen. Samir Farag

Feeling a tad more serious than usual — not a mood I am often in, I have to admit — I followed my friends and colleagues Mahmoud Bakr and Sherine. Near on the trail of our Minister of Environmental Affairs Nadia Makram Elbehi, who paid a surprise visit to a number of factories which seem to be carelessly polluting our once beautifully blue river, in Kafr El-Zayat. Ahmed Abdel-Ghaffar, governor of Gharbiya, had a great deal to complain about and several cupolas were given warnings and a deadline to clean up their act. I really can't believe that in this day and age, there are still supposedly responsible people, heading big industries who do not know that they should not dispose of their waste by simply throwing it into the Nile. Was I

glad to hear our minister of the environment give them a piece of her mind!

My dear friend Maj. Gen. Samir Farag, who heads the Department of Moral Affairs of the Armed Forces, has just earned himself a PhD in Mass Communication from Cairo University. I would like to tell you that I have read his dissertation and enjoyed it tremendously, but the topic was really a bit over the top above what even I, with my vast knowledge of the things of this world, can handle. The role of the media in the nation's preparation to armed combat, will give you an idea of what yours truly was up against. I satisfied myself with simply listening to the praise lav-

ished on Samir by those who attended the presentation and were more *au courant* on military matters: Mustafa Kamel Elhal, speaker of the Shura Council, Farouk Abu Zaid, dean of the Faculty of Mass Communication at Cairo University, Maged Halawani, professor at the same faculty, and strategic expert Gamal Mawad, and Rashid El-Hawari, Minister of Defence Field-Marshal Mohamed Hussein Tantawi also attended. They all agreed that Samir had done a great job, especially in his astute use of state-of-the-art technology to illustrate the text. Well, as someone remarked, this is certainly not the first time Samir has distinguished himself academically and by no means the last.

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